KPIT

August 1, 2019

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

Scrip ID: KPITTECH
Scrip Code: 542651

Kind Attn: The Manager,
Department of Corporate Services

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

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Listing Department

Subject:- 2nd Annual Report of KPIT Technologies 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 2nd Annual Report of KPIT Technologies Limited (Formerly KPIT Engineering Limited) for FY 2018-19 for the 2nd Annual General Meeting to be held on Wednesday, August 28, 2019.

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

Thanking you,

Yours faithfully,

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

KPIT Technologies Limited

Nida Deshpande
Company Secretary & Compliance Officer

KPIT Technologies Ltd. (Formerly KPIT Engineering Ltd.)
Registered & Corporate Office: Plot 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057, India.
CIN: U74999PN2018PLC174192

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KPIT

Reimagining Mobility *with YOU*

2018-19
Annual Report

Board of Directors

S. B. (Ravi) Pandit
Chairman & Group CEO

Kishor Patil
CEO & Managing Director

Sachin Tikekar
Whole-time Director

Anant Talaulicar
Independent Director

B V R Subbu
Independent Director

Prof. Alberto Sangiovanni Vincentelli
Independent Director

Nickhil Jakatdar
Independent Director

Shubhalakshmi Panse
Independent Director

Rohit Saboo
Nominee Director

Vinit Teredesai
Chief Financial Officer

Nida Deshpande
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
Shardul Amarchand Mangaldas & Co
Advocates & Solicitors
Express Towers, 23rd Floor,
Nariman Point, Mumbai – 400021, India.

AZB & Partners
AZB House,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400013.

Financial Institutions
- HDFC Bank Limited
- The Hongkong & Shanghai Banking Corporation Limited
- Citibank N.A.
- Axis Bank Limited
- Kotak Mahindra Bank

Contents

Letter from the Chairman and Group CEO

Dear Fellow KPites,

FY2019 was a year of true transformation and reincarnation of KPIT in a new, sharply focused and re-energized avatar.

As a company, we have always been passionate about automotive and have been investing in the same for more than a decade. With a view to bring in sharper focus on automotive and mobility, we went through a major restructuring exercise, which was completed during the year.

On January 29, 2018, we had announced a transaction of merger and demerger involving KPIT and Birlasoft. Birlasoft is a part of the USD 1.6 billion diversified CK Birla Group.

The NCLT (National Company Law Tribunal) directed EGM for seeking shareholder approval for the Merger Demerger Scheme ("Composite Scheme") was scheduled on August 29, 2018. The shareholders overwhelmingly approved the scheme for the merger of Birlasoft with KPIT and the simultaneous demerger of Engineering business into a new company, to create two public companies.

The Mumbai Bench of NCLT vide its order dated November 29, 2018 approved the Composite Scheme. The written order was received by KPIT on December 18, 2018. The appointed date for the scheme was January 01, 2019 and the effective date was January 15, 2019.

Thus, the Composite Scheme approval by the NCLT resulted in the formation of two companies:

- KPIT Technologies Limited (USD 270+ Million revenue company), a global leader in Automotive Engineering and Mobility Solutions, which evolved from the existing Engineering Business of KPIT.
- Birlasoft Limited (a USD 475+ Million revenue company), a new Digital Business IT Services company, focusing on the mid-tier IT space formed by combining Birlasoft with the erstwhile KPIT IT business.

We are more excited than ever before with this reincarnation of our company.

As we all are experiencing, the world of mobility is going through a huge revolution and it is in for a paradigm shift, something that has not been witnessed in the last 100 years. This shift is largely driven by electronics and software, the areas which we call ours. We are fortunate to be at the right place and at this very right time to ride on the opportunities presented by this perfect storm of technology shifts & business model changes. We want to be a key participant in this shift to build a new world of mobility.

In the light of this change, we have redefined our vision which reads as follows:

KPIT Vision:

Reimagining mobility... with you

for creation of a cleaner, smarter & safer world

Let us explain the vision in greater details:

Reimagining: The paradigm shift in mobility gives us an opportunity to think afresh.

We will achieve this by

- **Building** Platforms, Tools, Accelerators, Innovative business models using domain knowledge
- **Delivering** globally with diverse teams in cultures, languages and thoughts
- **Learning & applying** transformational technologies (Artificial Intelligence, Digital, Big Data)

Mobility: Technologies that enable people and goods to move in cleaner, smarter and safer way. This includes passenger, commercial & off-highway vehicles and organizations that offer mobility as a service.

With you: Every KPIT Stakeholder is a key participant in this vision

- **Customers -** Accelerating the realization of our Customer's vision
- **Employees -** Providing an opportunity for our freethinking entrepreneurial employees to paint on this canvas, while building on our strong foundation
- **Partnership -** Partnering with our customers, mobility ecosystem, stakeholders, universities, research organizations and other influencers to make the vision a reality.

Overall Business Performance (Engineering Business)

During the year, the Engineering Business reported total revenues of USD 270.8 Million, registering a growth of 22.9%. The reported EBITDA for the year stood at 11.5% while the operational EBITDA was 12%+. The difference between reported and operational EBITDA is principally the expenses related to the merger-demerger scheme.

During the year, we continued to invest (hiring talent) in our global delivery centers, especially in Germany and in research & development. Growth in the ensuing quarters will help us leverage these investments and thus expand the operating margins.

How we fared vis-a-vis our goals for FY18-19

Customers: The growth during the year was led by growth in the Strategic Accounts with the Strategic Accounts (T25) growing at 30% during the year as compared to last year. The growth during the year, from a practice point of view, was contributed by the focus practices of AD-ADAS (Autonomous Driving – Advanced Driver Assistance Systems), ePT (Electric Powertrain), Connected (Infotainment) and Diagnostics.

People: We invested heavily during the year to build our Global Delivery model with Germany being the largest center for these investments. Ability to hire talent locally and deliver globally is one of the key strategic areas of focus for us. Attrition across the industry has gone up and we had top-block attrition in lower double digits. The target is to get this attrition in a mid to lower single digit range. We piloted Predictive Attrition Framework during the year to help us address critical attrition well before time. With focus on hiring locally, we are progressing well on the visa independence target.

Technology and Innovation: The technology roadmap definition and progress on the same is being monitored through PDFs (Practice Development Forums) for all the practices. The next step in this regard is customer by customer plan of engagement which is now being initiated. Along with this plan of engagement, comprehensive engagement with customer CTO and/or Customer Research Group Head is progressing well. All key new technology initiatives are being driven/enabled/facilitated by the CTO (Chief Technology Officer) team.

Delivery Excellence: We have institutionalized the process for identification and monitoring of large high risk programs over the entire life cycle of the projects. This has enabled prevention of major deviations from plan in majority of the cases and in some cases empowered immediate corrective actions to arrest any derailing. There is a continuous improvement in the customer CSAT (Customer Satisfaction) scores across practices.

Technology and Innovation:

Research and development have always been on the forefront of our business strategy. KPIT CTO Function is our R&D arm and is responsible for technology incubation, co-innovating with customers, fostering a culture of innovation not only within the organization but also in the business ecosystem and carrying out advanced research, in collaboration with research labs and academia. It is accredited as a research and development facility by the Department of Scientific and Industrial Research (DSIR) under the Ministry of Science and Technology.

The total number of patents filed by us as at the end of Q4FY19 stood at 45 (38 with complete specifications and 7 with provisional specifications). In total, we have 49 patents granted across geographies (the same patent if granted in two geographies is counted as 2 granted patents). Most of these patents are in the domain of electric and hybrid technologies, ADAS (Advanced Driver Assistance Systems), BMS (Battery Management Systems), Infotainment, VLSI (Very Large Scale Integration) and High Performance Computing.

FY2019 was the fifth year of KPIT Sparkle, a national design and development innovation contest for science and engineering students. The theme for the 2019 edition was “Energy and Mobility for the Future.” It sought futuristic solutions based on cutting-edge technologies, to solve problems in areas such as renewable energy generation, energy storage, energy utilization and clean, safe, shared, connected, and secured mobility.

In the last five years, KPIT Sparkle has received nearly 6,000 ideas from more than 50,000 students nationally. The participation in KPIT Sparkle grew from a meagre 2,000 in its first year to around 22,000 in this edition. This represented more than 1,100 colleges in India. The Top 30 teams presented working prototypes of their solutions at the grand finale held on 23rd and 24th February 2019. Team Aqua from Army Institute of Technology, Pune, won the platinum award of ` 1.0 Million for developing a vertical axis water turbine (VAWT), which is 24% more efficient than a conventional system.

KPIT Sparkle 2019 was privileged to be associated with the **Government of India’s Department of Science and Technology (DST), NITI Aayog’s Atal Innovation Mission (AIM), All India Council for Technical Education (AICTE), India Design Council and the National Institute of Design as the knowledge partners and Pimpri Chinchwad College of Engineering (PCCOE), Pune, Noida Institute of**

Engineering and Technology (NIET), Greater Noida and Sandip University, Nashik; as academic partners. KPIT also partnered with the Centre for Innovation Incubation & Entrepreneurship (CIIE), IIM Ahmedabad, Incubation Cell – IITM, Science and Technology Park, BHAU Institute and Centre for Innovation, Incubation and Linkages (CIIL) – Savitribai Phule University to provide incubation opportunities to deserving ideas.

The Year Ahead

The Mobility Industry is going through a lot of disruptions. While on one side there is a fall in the sale of vehicles across the globe, on the other side mobility players are increasing investments in electric, automated and connected vehicles. OEMs are desirous of launching newer models with added features in a shorter span of time and at the same time are focusing on operations cost reduction and staff rationalization. The government regulations across the globe are becoming stringent especially in the areas of emissions and safety. Thus, in these volatile times for the industry that we exclusively focus on, we are not giving a formal guidance for FY20.

Having said that, the outlook for the year remains positive and we expect FY20 CC revenue growth to be in the range of 16% - 18% with EBITDA margins in the 14%-15% range.

I am confident of maintaining sustainable profitable growth momentum going forward, because of a core, committed team within KPIT and continued support from stakeholders like yourself, over the years. I regard this highly and appreciate it thoroughly.

Warm Regards,

Sincerely yours,

S. B. (Ravi) Pandit

Chairman & Group CEO

Joint Letter from the CEO & MD and President & Whole-time Director

Dear Stakeholders,

FY 2018-19 was a year of true transformation for the company wherein we completed one of the most complex restructuring exercise of merger and demerger to create two focused companies with the potential of individually becoming leaders in their respective areas of operations. We honestly believe in the potential for enhanced value creation for all stakeholders of both the companies.

KPIT Technologies, now in its new re-incarnated version, prides itself on the possibility of being one of the global leaders in engineering companies focused on software led solutions for the automobile industry.

While we have discussed the KPIT Vision in the Letter by the Chairman and Group CEO, in the ensuing paragraphs we will dwell on the KPIT Strategy to achieve the KPIT Vision. We will also discuss the opportunities and challenges in automotive and mobility.

KPIT Strategy

Verticals that we focus on:

- Passenger Cars
- Commercial and Off Highway Vehicles
- New Mobility

Strategic Customer Relationships:

We are focusing on Select Customers (OEMs, New Mobility Companies and Tier I) to help us achieve our Mission and Vision. Our strategic customers are based on the following principles:

- Importance to us from overall Mobility ecosystem perspective
- Highest level of relationship and committed to strategic partnership
- Strategic for our practices
- High quality of engagement (platforms, tools, accelerators, annuity deals)

Customers want to bring new innovative features faster to the market.

Our proposition of “faster time to market” will be supported by:

- Platforms, Tools and Accelerators
- Deep Domain Expertise &
- Ability to and agility in scaling globally.

What we do:

We help our customers to go from design to production. Our offerings include solutions centered on software design, development and validation. Our solutions are knowledge intensive. We leverage platforms, tools and accelerators that enable re-use and faster time to market

What we do not do:

We do not engage in the regular sale of hardware products, although we build adequate hardware expertise to ensure smooth operation of software. Products which include both Hardware and Software are delivered by an associate or a partner company.

Customer Intimacy:

We are building customer intimacy through

- Practice and program management presence at key global locations
- Global delivery model
- Consistent customer experience across all locations
- Diverse teams in cultures, languages and thoughts
- Networking by participation in global conferences, seminars and expos

Automotive and Mobility trends:

The fortunes of players in the automotive sector have always depended on what customers see as valuable. Most of this value has resided in the hardware of vehicles and in the automakers’ brands. However, future innovations will probably focus on disruptive technology trends and thus the customers’ perceptions of value will shift. The four trends that will likely shape the future of mobility are:

Connected

Autonomous

Shared

Electric

- **Connected -** The possibilities for “infotainment” innovations, novel traffic services, and new business models and services will increase as cars get connected to each other, to the wider infrastructure, and to people.

- **Autonomous -** The operation of automated cars will move from advanced driver-assistance systems to fully autonomous driving as the technology matures.

- **Shared -** As the sharing economy expands and consumer preferences change, the standard model will continue to evolve from outright purchase or lease to rentals and car sharing.

- **Electric -** Drivetrains will shift toward hybrid-electric, electric, and fuel-cell technologies as they mature and become cheaper.

The KPIT Practices are aligned with these mega trends viz.

Connected (Infotainment & Clusters, Diagnostics)

Autonomous (Autonomous Driving, Advanced Driver Assistance Systems)

Shared (we are incubating solutions for shared mobility)

Electric (e-powertrain and conventional powertrain)

Software craftsmanship can enable mobility leapfrog towards a cleaner, smarter and safer future. KPIT specializes in embedded software, AI & digital solutions for automotive and mobility, enabling our customers accelerate implementation of next generation mobility technologies. With technology centers in Europe, USA, Japan, China & India – KPIT is present where the mobility ecosystem is transforming.

There is credibility and reliability from our decades of experience in automotive technology. Our personality is defined by focus on technology, customers, people and partnerships.

Geography Focus

Currently our presence across geographies is fairly spread with US being the largest, followed by Europe and then Asia. As per our strategy, we are focusing on global delivery with integrated teams located across India, Germany, US, China, Thailand and Brazil. We will continue to invest in our Germany and US centers to strengthen our presence in these geographies. We are also focusing on local hiring to source talent globally to address the increasing demand for specialized, domain intensive skill sets, as well as to counter the probable threats looming due to stricter visa regulations in different countries. Increased presence in these global delivery centers will help us build leadership and domain expertise and drive innovation in systems, software and solutions. This will also further strengthen our ability to provide best in class solutions to our customers with a near shore presence and integrated global delivery model. We are making customer specific investments in geographies to pursue further penetration and growth in the strategic accounts. In the coming years, Europe and Asia will lead the growth and thus the balance between geography spread will be further equalized.

People Initiatives

KPIT believes in investing in human capital, an element that defines the organization's veracity and versatility within the business sphere. We want to attract and retain people who are passionate about delivering zero defect software to the best customers globally. Talent attraction at KPIT is driven by our flagship PACE Program which is an industry – academia based partnership program with 20+ premier institutions across India and abroad. We have faith in in continuous learning and run learning initiatives across grades and practices, enabling our employees to enhance their skills on an ongoing basis.

KPIT unveiled its **new visual identity** on the 6th of June 2019.

The new visual identity draws inspiration from KPITs' technology solutions that run in millions of vehicles around the world. It also reflects passion of people at KPIT who are in the pursuit of making mobility cleaner, smarter and safer.

At the heart of the new visual identity is an interconnected and responsive graphic system that represents KPIT's technology solutions. Anchored in this graphic system is the new KPIT logo that manifests in both dynamic and static ways and is a distillation of the design system.

Infrastructure:

As at FY19 end, we have a total seating capacity of 6500+ seats in India, of which 5200 + seats are occupied. During this year, we developed 1,000 seats in Pune Hinjewadi Phase III as the 2nd phase of the project. During FY20 we are planning to add 500+ seats at Bangalore and 300 + seats at Pune, which we intend to occupy completely during FY 21.

Let us now have a quick look at the near future

The Medium Term:

We are fairly confident of high growth over the next 3-4 years. Apart from pure growth, the focus is also on the quality of revenue. Some of the metrics that we have started looking at and want to improve every year are annuity revenues, revenues from platform/tools/accelerators and revenues from target customers. We also seek to be among the largest wallet share partners for our T25 customers. Apart from the quality of revenue, leveraging of investments and fixed costs, engineering productivity improvement and larger individual customers will help us substantially improve operating margins over the coming years.

We are confident and excited about the future and appreciate the trust put in the company, by all stakeholders.

Best Regards,

Sincerely Yours,

Kishor Patil	**Sachin Tikekar**
CEO & Managing Director	President & Whole-time Director

FINANCIAL HIGHLIGHTS

(` in million)

CONSOLIDATED INCOME STATEMENT	FY 2019
Sales ($ million)	270.8
Total income	19,428.2
Total expenses	17,714.3
Profit/(loss) before tax	1,273.9
CONSOLIDATED BALANCE SHEET	
Share Capital	2,685.0
Other Equity	6,910.6
Total Shareholder Funds	9,595.6
Non-Controlling Interest	39.1
Non-Current Liabilities	697.8
Current Liabilities	6,409.1
Total Equity & Liabilities	**16,741.6**
Fixed Assets	3,260.6
Goodwill on Consolidation	942.3
Other Non-current Assets	237.7
Current Investment	487.1
Trade Receivables	5,920.0
Cash and cash equivalents	2,206.6
Other Current Assets	3,687.4
Total Assets	**16,741.6**
KEY RATIOS	
Long Term Debt to Equity	7.2%
Total Debt to Equity	13.6%
Cash/Total Assets	13.2%

BOARD'S REPORT

Dear Members,

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

Performance of the Company

(In million)

Particulars	Standalone 2018-19		Consolidated 2018-19	
	USD	₹	USD	₹
Revenue from operations	32.72	2,303.00	91.10	6,412.56
Profit before Tax (PBT)	11.57	814.24	9.55	671.95
Profit after Tax (PAT)	10.58	744.47	7.82	550.20

Result of Operations

During the year under review, the total revenues from operations (consolidated) were ₹ 6,412.56 million and Net profit after tax (consolidated) was ₹ 550.20 million.

In US Dollar terms, revenues from operations for the year on consolidated basis was $ 91.10 million. Average realization rate was ₹ 70.39 per US Dollar.

Standalone sales for the financial year 2018-19 reached ₹ 2,303.00 million and Net profit after tax ₹ 744.47 million.

Dividend

The Directors are pleased to recommend a final dividend of ₹ 0.75/- per equity share of face value of ₹ 10/- each (7.5%) on the paid-up equity share capital of the Company for the year under review. The total pay-out will amount to ₹ 247.87 million including dividend distribution tax.

Share Capital

During the year under review, the entire pre-demerger share capital of the Company was cancelled, extinguished and annulled in terms of Clause 25 of the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Company or Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. Further, pursuant to the said Scheme, the Company allotted 274,143,808 equity shares of ` 10/- each in the ratio of 1:1 on January 29, 2019 and thus, the issued, subscribed and paid-up capital of the Company as on March 31, 2019 is ₹ 2,741,438,080 consisting of 274,143,808 equity shares of ₹ 10/- each.

Awards & Recognition

1. KPIT won the "Frost & Sullivan India Best Practices Award 2018" in the Category - India Shared Mobility Solutions Visionary Innovation Leadership Award.

2. KPIT won the award in EMobility India Week 2018 under the award category- Electric Vehicle IT Innovation of the year Award.

3. KPIT has been recognized with two Manufacturing Leadership Awards by Frost and Sullivan for its clean and smart technology solutions in the urban mobility sector. KPIT's Integrated Intelligent Transport Systems and Revolo® have earned awards in the Smart Products and Services and Sustainability categories respectively.

4. NITI Aayog has constituted 'National Intelligent Transport System Committee' to work towards a coherent Intelligent Transportation System (ITS) Policy for the nation. KPIT have been invited to be a part of them and is actively contributing to the committee thus paving path for smart transportation in India.

Quality, Information Security & Productivity

Quality, Productivity and Innovation have been the three pillars that have driven our passion for continuous improvement in the way we determine and improve our process framework. This commitment to quality is ratified by our consistent endeavour in certifying ourselves to the best standards in the Industry.

We continue to improve our Quality focus through internal initiatives and by certifying against international standards. In accordance with this, we underwent re-certification of our Quality Management System on ISO9001:2015. In keeping with the tradition of ensuring coverage across new locations, we added our Munich development center to our ISO certification scope. We continue to maintain our certification on Automotive SPICE Organizational Maturity Level 5 and Information Security Management (ISO/IEC 27001:2013), IT Service Management (ISO/IEC 20001-1:2011) and Business Continuity Management (ISO 22301:2012). In addition, during the year, we also got certified on European Automotive Industry's ENX TISAX Assessment Level 3 for our delivery centres in Pune, Bangalore and Munich.

Continuous improvement is our focus to achieve efficiency in our processes and also to keep it up to date with respect to new developments in the industry. These improvements come through learnings in the projects, feedback from customers and ideas from the employees. During the year, we have taken up many such improvements, upgraded our process assets, published and deployed in the projects. The focus is on keeping the processes efficient and lean. One such major initiative is our internal product quality governance framework and rolled it out as Katapult. This framework helps individuals to perform better with focus on productivity and quality. Katapult is deployed on central cloud infrastructure and distributed to engineers and projects to measure the work delivered in terms of best practices and governing metrics. We also rolled out initiative to standardise the tools used by the projects to bring consistency and give projects, ready to go kits of standard tools.

Information about the Subsidiary & Associate Companies

As on March 31, 2019, the Company had eleven subsidiaries and one associate company. During the year under review, the Company incorporated subsidiaries in Singapore and USA for expanding its operations. Further, as a result of demerger, the subsidiaries of KPIT Technologies Limited (renamed as Birlasoft Limited) incorporated in Japan, UK & USA became subsidiaries of KPIT Engineering Limited (renamed as KPIT Technologies Limited).

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.kpit.com. Further, a report on the highlights of performance of subsidiaries and their contribution to the overall performance of the Company has also been placed on the website of the Company. 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.

Directors

During the year under review, Mr. S. B. (Ravi) Pandit has been appointed as a Whole time Director with effect from January 16, 2019. A resolution is being put up to the shareholders at the forthcoming annual general meeting for approval of his appointment as a Chairman and Executive Director for a period ending March 28, 2020 and thereafter as a Chairman and Non-Executive Director of the Company.

Mr. Kishor Patil has been appointed as the CEO & Managing Director with effect from January 16, 2019 for a period of five years. A resolution is being put up for the approval of the shareholders at the forthcoming annual general meeting for his appointment.

Mr. Sachin Tikekar has been appointed as Whole-time Director with effect from January 16, 2019 for a period of five years. A resolution is being put up for the approval of the shareholders at the forthcoming annual general meeting for his appointment.

Further, Mr. Anant Talaulicar, Mr. B V R Subbu, Prof. Alberto Sangiovanni Vincentelli, Mr. Nickhil Jakatdar and Ms. Shubhalakshmi Panse were appointed as Additional & Independent Directors of the Company for a period of five years with effect from January 16, 2019 and Dr. Klaus Blickle was appointed as an Additional Director & Mr. Rohit Saboo was appointed as an Additional and Nominee Director of the Company with effect from January 16, 2019, subject to shareholders approval. Owing to other business commitments and preoccupations, Dr. Klaus Blickle has resigned from the directorship of the Company with effect from May 15, 2019. The Board places on record its appreciation for valuable services provided by them during their tenure. Resolutions are being put up for the approval of the shareholder at the forthcoming Annual General Meeting for their appointment.

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

Key Managerial Personnel

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

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

Mr. Vinit Teredesai was appointed as the Chief Financial Officer and Ms. Nida Deshpande was appointed as Company Secretary of the Company with effect from January 16, 2019.

Board Meetings

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

Committees of Board

During the year under review, the following Committees were constituted:

1) Audit Committee
2) Nomination and Remuneration (HR) Committee
3) CSR Committee
4) Stakeholders Relationship Committee

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

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Act:

1. Mr. Anant Talaulicar
2. Mr. B V R Subbu
3. Prof. Alberto Sangiovanni Vincentelli
4. Mr. Nickhil Jakatdar
5. Ms. Shubhalakshmi Panse

Company’s Policy on Directors’ appointment and remuneration

The Nomination and Remuneration Policy of the Company provides roles and responsibilities of the Nomination and Remuneration (HR) Committee and the criteria for evaluation of the Board and compensation of the Directors and senior management. Further, as per the policy, the said committee shall identify potential candidates for becoming members of the Board and determining the composition of the Board based on the need and requirements of the company from time to time to bring out diversity in the Board and also identify persons to be recruited in the senior management of the company and ensure the companies compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating thereto. Pursuant to the provisions of Section 134(3)(e) of the Act, the said policy of the Company on the appointment and 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 available on Company’s website at the link: https://www.kpit.com/investors/#policies-reports-filings.

Audit Committee Recommendations

Audit Committee was formed on January 16, 2019 and no meetings were held as on March 31, 2019. The composition of the Audit Committee is as mentioned in the Report on Corporate Governance, which forms a part of this Annual Report.

Corporate Social Responsibility (CSR)

As a good corporate governance and considering the Company values, the Company has set up a Corporate Social Responsibility (CSR) Committee and has framed the Policy on Corporate Social Responsibility though it is not mandatory for the Company as per the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The details about the development of CSR Policy and initiatives taken by the Company on CSR during the year as per the said rules has been annexed to this Report as “Annexure 5”.

Vigil mechanism

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.kpit.com/investors/#policies-reports-filings.

Auditors

Pursuant to the provisions of Section 139(1) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on August 29, 2018 for a period of five years.

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

The Board of Directors of the Company appointed Dr. K. R. Chandratre, Practicing Company Secretary, as the Secretarial Auditor to conduct audit for the year under review. The Secretarial Auditor's report for the year under review is annexed to this Report as "Annexure 2". The report does not contain any qualification, reservation or adverse remark.

Internal Control Systems and Adequacy of Internal Financial Controls

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

Corporate Governance

A separate section on Corporate Governance forms a part of this Report. However, since the Company is listed on BSE Limited and National Stock Exchange of India Limited on April 22, 2019, to obtain the certificate in respect of compliance with the provisions concerning Corporate Governance, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable for the year under review.

Management Discussion and Analysis

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

Particulars of Employees

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

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

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

The Prevention of Sexual Harassment (POSH) Committee was constituted on January 14, 2019 as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the Company has formulated Prevention of Sexual Harassment Policy on prevention of sexual harassment and has put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. There was no case on sexual harassment registered for the period under review. As a part of our orientation programs for all new joinees, we mandate that they complete an e-learning module on the same as well.

Fixed Deposits

The Company has not accepted any deposits as on March 31, 2019.

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

KPIT always focused on energy conservation. The new office campus developed with emphasis on energy conservation. The major energy consumer in new building is HVAC. So the building orientations are decided based on sun path analysis which benefits to reduce heat load and eventually reduces HVAC consumption. Considering the variable loads, latest VRF technology adopted for HVAC which resulted 10% reduction in energy consumption.

The building façade selected to maximize day light penetration into work area so as to reduce artificial lighting requirement. Energy efficient LED lights are used with task lighting principle.

Fully automated Building management system installed to monitor and operate AC, Pumps, DG, UPS and all electrical equipment which facilitated to control energy consumption at various level.

The water in conserved by treating and recycling of 70% of the water for flushing and gardening. The rainwater conserved by rainwater harvesting.

Enhanced capacity of natural waterbody which holds most of the rainwater and helps to develop healthy ecology in surrounding.

Green Initiatives

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

- Water Conservation through Mass Volunteering supported 3 villages this year through construction of soil dams, benefitting 600 people. Construction of such dams enables to conserve water. At the same time it also helps in stoppage of overflow of water which is observed due to floods. Such situation prevails during the monsoon and the river tends to overflow due to heavy rainfall. Thus, we adopted the method of construction of soil dams on Velvandi River.
- Drinking water distribution system in Kamre Budruk & Kamre Khurd villages has resulted in both the villages being declared as Tanker free villages. (Every summer these villages were otherwise dependent on water supplied to them by tankers)
- Conservation of private forest in Koyna -Channdoli corridor by planting 3,500 saplings.
- In Yerwada Prabhag of Pune Municipal Corporation, through Zero Garbage initiative, Door to Door Collection (DTDC) coverage increased from 22% to 90% and Waste segregation improved from 15% to 17% thus benefitting 21,000 families.

Occupational Health and Safety Assessment Series (OHSAS)

We have the following programs in place for ensuring health and safety of our employees.

- Zumba and Yoga sessions under expert trainers.
- Collaborated with various online service providers to help employees purchase medicines and health check-ups at discounted rates.
- On Occasion of International Women's Day, Quick workout and Zumba sessions were organized for women employees.
- Executive Health Check-ups for Senior Management
- Health Check-ups for employees.

Technology Absorption

During the year under review, the Company has developed below applications and released to business –

a. **Myworld Portal –** The new responsive UI is made available on all device formfactor (desktops & mobiles devices). Application availability, scalability & performance has improved multi-fold compared to earlier legacy system. New UI is more user friendly and has helped improve user productivity. With the help of new architecture, we can now release new business features more frequently without break in changes. More analytics is now available to users such that users can get insight like team members on leave, current team strength in office, project allocation/expiry, quick glimpse on team members birthdays/anniversaries, centralized team attendance etc. Earlier there were multiple portals for different use cases. With new platform, users have to access a single portal where for all the applications are available with single sign. New platform is integrated to multiple backend systems such that users can fetch desired intelligence at one place (e.g. leave, OnDuty, Swipe card, Time Log, TR etc.)

b. **Kloudee -** Last year we started an initiative of Digital lab; under this initiative, we have devolved BOT to automate a few tasks in Human Resources (HR) and Technology Infrastructure Management Services (TIMS) area. The BOT named as Kloudee. Kloudee is well integrated with Myworld. This BOT helps KPIT member to know the FAQ of HR and TIMS related to process and policy queries. Kloudee is based on machine learning and Natural Language processing technologies powered by Dialogflow (Google). Kloudee has special capability to correct the typos in user questions before answering. Kloudee can understand user question and provide accurate answer. Machine learning is helping to understand the user question better and provide self-training to the Kloudee. The Kloudee BOT is even ready for casual chat. In future, this BOT can be used to automate many tasks, like submitting tickets/ requests, feeling and approving time loges, also it can seamlessly integration with human agents to fulfil all unanswered questions at one go.

c. **SMART Campus Dashboard –** SMART campus dashboard is an important milestone in the SMART enterprise journey of KPIT. SMART Campus solution's centralized database collects data from the various systems in facilities domain. The systems include Water Pumps, Flow meters,Tank level sensors, DG, PAC, etc. These systems are otherwise managed, maintained and monitored in silos with practices involving manual intervention. Smart campus dashboard enables the operator to monitor system status and health from a single dashboard which is accessible using a web browser. Monitored systems can be in a single campus or can be spread across multiple geographical locations. Smart campus dashboard analyses the data gathered from multiple systems and represents them in a meaningful way. The collective intelligence is drawn from the data received from the dispersed systems adds great value to the facilities management team who is responsible for managing and monitoring these systems. Cause-Effect analysis can be done proactively with the data gathered over a period of time. Smart Campus dashboard offers the capability to send out notifications to the operator about the malfunctioning and/or unavailability of the device(s) through email based alerts. Smart campus dashboard also has the capability to generate the reports for the various scenarios including (but not limited to) device uptime, device data sets, audit trails.

All above applications are running on a robust Platform which is deployed for this purpose –

- **Platform:** Above result is achieved by adopting DevOps culture and using CD/CD tool set. Chief Digital Officer (CDO) function achieved continuous integration, continuous delivery & continuous deployment with the help of Enterprise Jenkins, & Pivotal Cloud Foundry. Along with this many tools were deployed to achieve agile practice. This approach helped in faster & flawless software delivery to business under the SimpliFicar project. Multiple open source tools were evaluated in this process and then deployed. Tools like Git as a code repository, Maven as a Project Management framework, Nexus as an artefact repository, SonarQube for code quality, Cobertura for code coverage and JUnit for unit tests were deployed and leveraged. Sonatype IQ server helped in achieving security and compliance requirements because of which we truly practiced DevSecOps. Pivotal Cloud Foundry (PCF) was deployed in multi-availability zones (data centre level resiliency). PCF helped in achieving faster and continuous application deployment in runtime. With new Platform, application scaling is on demand and is highly available.

- **IT Infra:** Above mentioned Platform is hosted on the new datacentre technology called "Hyperconverged" infra. TIMS evaluated multiple options and deployed this state of the art new technology in datacentre. Hyperconvergence is an integration of compute and virtualization resources in a single server system. This type of technology eliminates the need of costly and complex SAN storage infra. It does not need highly skilled resources to operate. This technology is deployed such that even if one datacenter goes down, business critical applications will continue to run without or with least interruption. This deployment has reduced carbon footprint by almost 40% compared to traditional technology. This also lowered electricity consumption and space requirement in datacenter.

We are getting below mentioned business benefits from this technology –

- Linearly scale-out architecture (scale on demand)
- Use of commodity hardware (no hardware OEM lock-in)

- Hypervisor agnostic (lower cost & no vendor lock-in)
- Either scale only storage or compute or both
- Start small & grow big (no upfront cost)
- Lower skillset required for operations (lower Ops cost)
- Faster deployment (factory installed systems)
- Rapidly scalable (faster delivery to business)
- Unified management (faster adoption)

Research and Development (R&D) Activity

1) KPIT won the "Frost & Sullivan India Best Practices Award 2018" in the Category - India Shared Mobility Solutions Visionary Innovation Leadership Award.
2) KPIT won the award in EMobility India Week 2018 under the award category- Electric Vehicle IT Innovation of the year Award.
3) KPIT has been recognized with two Manufacturing Leadership Awards by Frost and Sullivan for its clean and smart technology solutions in the urban mobility sector. KPIT's Integrated Intelligent Transport Systems and Revolo® have earned awards in the Smart Products and Services and Sustainability categories respectively.
4) NITI Aayog has constituted 'National Intelligent Transport System Committee' to work towards a coherent Intelligent Transportation System (ITS) Policy for the nation. KPIT have been invited to be a part of them and is actively contributing to the committee thus paving path for smart transportation in India.

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)	58.55	Trace2Fix, KITE, Artificial Intelligence in Autonomous Driving Technology.
Assets capitalized during the year	0.12	
Total	**58.67**	

Note:

Out of total R & D expenditure of ₹ 58.55 million, eligible R & D revenue expenditure under Section 35(2AB) of the Income Tax Act, 1961, for the Company is ₹ 37.53 million. A separate section on R & D activities undertaken by the Company has also been included in this Annual Report.

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 ₹ 2,091.31 million (previous year ₹ Nil million) and foreign exchange outgo (including imports) has been ₹ 35.51 million (previous year ₹ Nil million).

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

Pursuant to the provisions of Section 134(3)(h) of the Act, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act and prescribed in Form AOC-2 of Companies (Accounts) Rules, 2014, is annexed to this Report as "Annexure 4".

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

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

Sr. No.	Name of the subsidiary	Nature of transaction	Duration	Rate of Interest (%)	Amount (₹ in million)	Purpose
1	KPIT Technologies Holding Inc.	Investment	NA	NA	1,254.60	Equity infusion
2	MicroFuzzy KPIT Tecnologia Ltda.	Investment	NA	NA	17.48	Equity infusion

Merger Update

The Company received the Order from Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) for the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Company or Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders on November 29, 2018.

The Company received in-principal approval for listing of shares on BSE Limited and National Stock Exchange of India Limited on March 13, 2019 and March 14, 2019 respectively and SEBI relaxation letter to Rule 19 (2) (b) of Securities Contracts (Regulation) Rules, 1957 on April 5, 2019. Thereafter, the Company received listing approval on April 13, 2019 from BSE limited and National Stock Exchange of India Limited with trading permission from April 22, 2019.

During the year under review, the Company changed its name from KPIT Engineering Limited to KPIT Technologies Limited with effect from March 13, 2019.

Material changes and commitments affecting the financial position of the Company and change in nature of business

The Company received the Order from Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) for the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Company or Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders on November 29, 2018. Birlasoft (India) Limited was merged into KPIT Technologies Limited (which is now renamed as Birlasoft Limited) and engineering business was demerged into the Company (formerly KPIT Engineering Limited). The engineering business of the Company 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 and this will remain the core business of the new engineering Company, going forward. The said Scheme became effective with effect from January 15, 2019. Further, the Company allotted 274,143,808 equity shares of ₹ 10/- each on January 29, 2019. In terms of the Scheme and as provided for in the Implementation Agreement and other agreements which were executed between Birlasoft (India) Limited, KPIT Technologies Limited (renamed as Birlasoft Limited), KPIT Engineering Limited (renamed as KPIT Technologies Limited) and other parties, the promoters of the Company and the promoters of Birlasoft Limited have acquired joint control of the Company.

Significant and material orders

The Company received the Order from Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) for the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") and KPIT Engineering Limited ("Company or Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders on November 29, 2018.

Change of name

The Company received certificate from the Registrar of Companies for change in its name from KPIT Engineering Limited to KPIT Technologies Limited with effect from March 13, 2019.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed to this Report as "Annexure 6".

Responsibility Statement of the Board of Directors

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that:

i) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 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 Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual financial statements have been prepared on a going concern basis;

v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and

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

CEO & CFO Certification

Certificate by Mr. Kishor Patil, CEO & Managing Director and Mr. Vinit Teredesai, 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 15, 2019.

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

Acknowledgments

We take this opportunity to thank all the shareholders of the Company for their continued support throughout the merger and demerger process.

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

We further thank the governments of various countries where we have our operations. We also thank the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise Departments, the Income Tax Department, the Reserve Bank of India, the State Governments, the Software Development Centers (SDCs)/Special Economic Zones (SEZs) – Bengaluru, Pune and all other government agencies for their support and look forward for their continued support in future.

For and on behalf of the Board of Directors

Pune
May 15, 2019

S. B. (Ravi) Pandit
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

(₹ in million except exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9	10	11
Name of the subsidiary	**KPIT (Shanghai) Software Technology Co. Limited, China**	**KPIT Technologies (UK) Limited *(Refer note 'd' below)***	**KPIT Technologies Netherlands B.V.**	**KPIT Technologies GmbH, Germany *(Refer note 'a' below)***	**Impact Automotive Solutions Limited**	**MicroFuzzy Industrie-Elektronic GmbH, Germany *(Refer note 'c' below)***	**Microfuzzy KPIT Tecnologia LTDA, Brazil (Formerly SYSTIME Global Solutions LTDA, Brazil) *(Refer note 'b' below)***	**KPIT Technologies GK *(Refer note 'e' below)***	**KPIT Technologies Inc. *(Refer note 'f' below)***	**KPIT Technologies Holding Inc.**	**KPIT Technologies Pte. Limited**
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
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Share capital	145.21	1,042.95	38.85	756.04	1,367.50	1.99	0.02	17.13	345.86	1,175.91	-
Reserves & surplus	(58.84)	710.52	78.87	444.75	(1,082.11)	310.75	14.39	106.58	617.22	-	(6.88)
Total assets *(excluding 9 below)*	331.15	3,026.51	164.37	2,422.68	763.78	1,075.40	15.42	991.25	4,251.74	1,175.91	8.82
Total liabilities *(excluding 5 & 6 above)*	244.78	1,273.05	46.65	1,221.89	488.39	763.05	1.01	867.55	3,288.67	-	15.70
Investments *(except in case of investment in subsidiaries)*	-	-	-	-	10.00	0.39	-	-	-	-	-
Turnover	124.07	530.36	76.42	650.42	197.01	614.16	-	609.99	3,451.53	-	9.83
Profit / (Loss) before taxation	(12.54)	(80.21)	1.00	(113.80)	(393.93)	95.40	(1.66)	17.20	177.86	-	(6.94)
Provision for taxation	-	40.93	(0.05)	-	-	(28.64)	0.03	(15.24)	(49.00)	-	-
Profit / (Loss) after taxation	(12.54)	(39.28)	0.95	(113.80)	(393.93)	66.76	(1.64)	1.96	128.86	-	(6.94)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	87.5%	100%	100%	100%	100%	100%

Notes :

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

b. 99.9% owned by KPIT Technologies Limited, India (erstwhile KPIT Engineering Limited) and 0.1% owned by KPIT Technologies Holding Inc., USA

c. 87.5% owned by KPIT Technologies GmbH, Germany

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

e. Includes branch KPIT Technologies GK, Korea

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

Pune
May 15, 2019

Part “B”: Associates and Joint Ventures

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

Sr. No.	Name of Associates / Joint Ventures	Yantra Digital Services Private Limited
1	**Latest audited Balance Sheet date**	31/03/2019
2	**Shares of Associate / Joint Ventures held by the company on the year end**	Nil
	No.	
	Amount of investment in Associates / Joint Venture	
	Extend of holding (%)	
3	**Description of how there is significant influence**	As per IND AS 28 para 5, if an entity holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e.g. through subsidiaries), less then 20% of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence. Significant influence is established as Impact Automotive Solutions Limited (a wholly owned subsidiary of KPIT Technologies Limited) holds 45% share in Yantra Digital Services Private Limited.
4	**Reason why the associate / joint venture is not consolidated**	We follow equity method of accounting as per IND AS, hence, only share of profit or loss is considered.
5	**Net worth attributable to shareholding as per latest audited Balance Sheet**	N.A.
6	**Profit / (Loss) for the year**	₹ (72.02) million
i	Considered in consolidation	Nil
ii	Not considered in consolidation	₹ (72.02) million

For and on behalf of the Board of Directors

Pune

May 15, 2019

S. B. (Ravi) Pandit

Chairman & Group CEO

Annexure 2

SECRETARIAL AUDIT REPORT

FOR THE PERIOD FROM 29 JANUARY 2019 TO 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,
KPIT Technologies Limited,
Plot No 17, Rajiv Gandhi Infotech Park, MIDC-SEZ
Phase III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KPIT Technologies Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the 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; **(Not applicable to the Company during Audit Period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during Audit Period)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018; **(Not applicable to the Company during Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during Audit Period)**

(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, no laws applicable specifically to the Company:

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. **(Not applicable to the Company during the Audit Period).**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period 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 Company received order of demerger from NCLT on 29 November 2018.
- The Secretarial Audit u/s 204 of the Companies Act, 2013 became applicable to the Company with effect from 29 January 2019 when paid up capital exceeded ` 50 Crores.
- The Company received certificate from ROC for its change in name to KPIT Technologies Limited on March 13, 2019.
- The Company had submitted application for in-principal approval for listing of shares to BSE Limited and National Stock Exchange of India Limited along with SEBI for granting relaxation to Rule 19 (2) (b) of Securities Contracts (Regulation) Rules, 1957 on February 21, 2019 and the Company has received in-principal approval for listing of shares on BSE Limited and National Stock Exchange of India Limited on March 13, 2019 and March 14, 2019 respectively.

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

Place: Pune
Date: 15 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,
KPIT Technologies Limited,
Plot No 17, Rajiv Gandhi Infotech Park, MIDC- SEZ
Phase III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057

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

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

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

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

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

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

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

Dr. K. R. Chandratre — Place: Pune
FCS No.: 1370, C. P. No.: 5144 — Date: 15 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 ` 1,02,00,000/- p.a. in aggregate.							
Nil							
Part B: Particulars of employees who were in employment for part of the financial year and are in receipt of remuneration of not less than ` 8,50,000/- p.m.							

Employee Name	Age (Yrs.)	Designation	Qualification	Exp. (Yrs.)	Date of joining	Remuneration received (₹ in million)	Particulars of previous employment
S. B. (Ravi) Pandit	69	Chairman & Group CEO	Chartered Accountants, CWA & MS (Management)	44	08-Jan-18*	3.05	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Kishor Patil	57	CEO & Managing Director	Chartered Accountant	35	08-Jan-18*	3.02	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	51	Whole - time Director	MBA (Strategic Management & International Finance)	25	08-Jan-18*	3.01	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Mandar Marulkar	46	Vice President - CDO	B.E. (Electronics)	25	01-Jan-19**	5.20[#]	KPIT Technologies Limited (renamed as Birlasoft Limited)**

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.

Employees mentioned above are neither relatives of any director of the Company nor hold two percent or more of the paid up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

* Mr. S. B. (Ravi) Pandit, Mr. Kishor Patil and Mr. Sachin Tikekar have been appointed as the directors of the Company since the date of incorporation.

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

Remuneration includes gratuity and leave encashment towards full and final settlement.

For and on behalf of the Board of Directors

Pune

May 15, 2019

S. B. (Ravi) Pandit

Chairman & Group CEO

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
S. B. (Ravi) Pandit	69	Chairman & Group CEO	Chartered Accountants, CWA & MS (Management)	44	08-Jan-18*	3.05	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Kishor Patil	57	CEO & Managing Director	Chartered Accountant	35	08-Jan-18*	3.02	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	51	Whole - Time Director	MBA (Strategic Management & International Finance)	25	08-Jan-18*	3.01	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Anup Sable	50	EVP & CTO-CTO Team	B.E. (Mechanical)	31	01-Jan-19**	1.86	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Mandar Marulkar	46	Vice President - CDO	B.E. (Electronics)	25	01-Jan-19**	5.20#	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Vinit Teredesai	48	Chief Financial Officer	CA, CWA, CPA (USA)	24	01-Jan-19**	1.85	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Abhishek Sinha	47	Chief People and Operations Officer	B. Tech	25	01-Jan-19**	1.80	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Akshay Kanetkar	37	AVP-Business Finance	CA	18	01-Jan-19**	1.79	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sunil S Phansalkar	43	Associate Vice President	MBA	20	01-Jan-19**	1.76	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Priyamvada Hardikar	47	VP - Corporate Accounts & Finance	CWA	26	01-Jan-19**	1.67	KPIT Technologies Limited (renamed as Birlasoft Limited)**

* Mr. S. B. (Ravi) Pandit, Mr. Kishor Patil and Mr. Sachin Tikekar have been appointed as the directors of the Company since the date of incorporation.

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

Remuneration includes gratuity and leave encashment towards full and final settlement.

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:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th colspan="2">Disclosure</th></tr>
<tr><td rowspan="11">i.</td><td rowspan="11">The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year</td><td>Mr. S. B. (Ravi) Pandit#</td><td>5.26</td></tr>
<tr><td>Mr. Kishor Patil#</td><td>5.38</td></tr>
<tr><td>Mr. Sachin Tikekar#</td><td>5.19</td></tr>
<tr><td>Prof. Alberto Sangiovanni Vincentelli</td><td>1.75</td></tr>
<tr><td>Mr. B V R Subbu</td><td>3.00</td></tr>
<tr><td>Mr. Anant Talaulicar</td><td>1.78</td></tr>
<tr><td>Dr. Klaus Blickle</td><td>1.13</td></tr>
<tr><td>Mr. Nickhil Jakatdar</td><td>0.75</td></tr>
<tr><td>Mr. Rohit Saboo</td><td>0.65</td></tr>
<tr><td>Ms. Shubhalakshmi Panse</td><td>0.65</td></tr>
<tr><td colspan="2">#Remuneration does not include amount of Provident Fund. The Company decides the remuneration of its Managerial Personnel on the basis of Cost to Company (CTC), whereas, under the provisions of the Act, the managerial remuneration is calculated as per Income Tax Act, 1961. The reported figures looks higher or lower depending on the components of the CTC.</td></tr>
<tr><td>ii.</td><td>The percentage increase in remuneration of each Director, CFO, CS in the financial year</td><td colspan="2">Not Applicable.
The Company was incorporated on January 8, 2018. National Company Law Tribunal, Mumbai Bench vide its Order dated November 29, 2018 approved the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. Further, the Executive and Non-Executive Directors and Key Managerial Personnel have been appointed with effect from January 16, 2019 and the remuneration has been paid from the Company with effect from said date. Hence, there is no comparable data for the purpose of calculation of percentage increase in remuneration of each Director, CFO, CS in the financial year. However, the details of remuneration paid to Executive and Non-Executive Directors and Key Managerial Personnel is disclosed elsewhere in this annual report.</td></tr>
<tr><td>iii.</td><td>The increase in the median remuneration of employees in the financial year</td><td colspan="2">Not Applicable.
The Company was incorporated on January 8, 2018. National Company Law Tribunal, Mumbai Bench vide its Order dated November 29, 2018 approved the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. Further, as a result of demerger, the employees have been transferred to the Company with effect from January 1, 2019. Hence, there is no comparable data for the purpose of calculation of increase in the median remuneration of employees in the financial year.</td></tr>
</table>

Sr. No.	Particulars	Disclosure
iv.	The number of permanent employees on the rolls of the Company	5,478 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	Not Applicable. The Company was incorporated on January 8, 2018. National Company Law Tribunal, Mumbai Bench vide its Order dated November 29, 2018 approved the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. Further, as a result of demerger, the employees have been transferred to the Company with effect from January 1, 2019. Hence, there is no comparable data for the purpose of calculation of said data.
vi	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

For and on behalf of the Board of Directors

Pune

May 15, 2019

S.B. (Ravi) Pandit

Chairman & Group CEO

Annexure 4

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**

2. **Details of material contracts or arrangement or transactions at arm's length basis:-**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid/ received as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
KPIT Technologies (UK) Limited (KPIT UK) including Italy branch. [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT UK**	Contract shall be effective from **January 01, 2019** and shall remain valid until terminated by either party by giving 45 days' notice to other party.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT UK**; **KPIT UK** will pay to KPIT India **88%** of the Value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	Nil
KPIT Technologies GK, Japan [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT Japan**	Contract shall be effective from **January 01, 2019** and shall remain in force and valid till 30th June 2019.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT Japan**; **KPIT Japan** will pay to KPIT India **95%** of the value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	Nil
KPIT Technologies GK, South Korea Branch [Branch of **KPIT Technologies GK – Japan** which is a Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT Korea**	Contract shall be effective from **January 01, 2019** and shall remain in force and valid till 30th June 2019.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT Korea**; **KPIT Korea** will pay to KPIT India **88%** of the value of customer contract.	Not required as 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/ received as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
KPIT Technologies Inc., USA [Subsidiary of **KPIT Technologies Holding Inc., USA,** which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT USA**	Contract shall be effective from **January 01, 2019** and shall remain valid until terminated by either party by giving 45 days' notice to other party.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT USA**; **KPIT USA** will pay to KPIT India **95%** of the Value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
KPIT Technologies GmbH, Germany [Subsidiary of **KPIT Technologies (UK) Limited** which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT Germany**	Contract shall be effective from **January 01, 2019** and shall remain valid until terminated by either party by giving 45 days' notice to other party.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT Germany**; **KPIT Germany** will pay to KPIT India **88%** of the Value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
KPIT (Shanghai) Software Technology Co. Limited, China [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT China**	Contract shall be effective from **January 01, 2019** and shall remain in force and valid till 30th June 2019.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT China**; **KPIT China** will pay to KPIT India **88%** of the Value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
KPIT Technologies Netherlands B.V. [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT Netherlands**	Contract shall be effective from **January 01, 2019** and shall remain valid until terminated by either party by giving 45 days' notice to other party.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT Netherlands**; **KPIT Netherlands** will pay to KPIT India **88%** of the Value of customer contract.	Not required as 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/ received as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
KPIT Technologies Pte. Limited, Singapore [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Contract for providing off-shore software development and consultancy services to **KPIT Singapore**	Contract shall be effective from **January 01, 2019** and shall remain valid until terminated by either party by giving 45 days' notice to other party.	**KPIT India** will carry out the software development and consultancy work as per the requirements of **KPIT Singapore**; **KPIT Singapore** will pay to KPIT India **88%** of the Value of customer contract.	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
Birlasoft Limited (erstwhile KPIT Technologies Limited) [entity under common control]	Transactions with entities under common control	Transaction shall be valid upto 31 March 2020.	At arm's length	Not required as Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	Nil
Impact Automotive Solutions Limited [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)]**	Vehicle Telematics System (Telematics System) – IP Sale	31 March 2019	Consideration of ` 16,000,000+Taxes	Not applicable	Nil
	Sale of component	Purchase orders are raised as per requirements	-	Not Applicable	Nil

For and behalf of the Board of Directors

Pune

May 15, 2019

S. B. (Ravi) Pandit

Chairman & Group CEO

Annexure 5

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **The Company has a strong social commitment to the community we live in. We fulfill this commitment both by employee participation and financial contribution. We seek to focus on a few areas of social initiatives, where we believe, through technology, our speed of innovation and employee participation, we can add significant value to our community world-wide.**

   During the year, the Company has undertaken following projects:

   1) Water Conservation Program
   2) Conservation of private forests
   3) Chhote Scientists
   4) Sparkle
   5) SHODH

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

Sr. No.	Name of the Committee Member	Nature of Directorship in the Company
1	Mr. Anant Talaulicar, Chairman	Independent Director
2	Mr. S. B. (Ravi) Pandit (Member)	Whole-time Director
3	Mr. Sachin Tikekar (Member)	Whole-time Director

3. **Average net profit of the Company for the last three financial years:** Not applicable as the Company is incorporated on January 8, 2018.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Not applicable

5. **Details of CSR spent during the financial year are included in Notes to Accounts in Standalone Financial Statements (Refer note 41).** The total spent referred in the annexure below includes direct spend of ₹ 13,639,972/- and employee participation cost of ₹ 13,81,781/-.

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

(Amount in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr No	CSR projects or activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2.Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Water Conservation Program	Environmental sustainability	Pune (Maharashtra)	200,000	200,000	200,000	Agency: In Association with Jnana Prabodhini

(Amount in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr No	**CSR projects or activity Identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2.Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
2	Conservation of Private Forests in Koyna-Chandoli Corridor	Ecological balance	Pune (Maharashtra)	250,000	250,000	250,000	Agency: In Association with Wildlife Research & Conversation Society
3	Chhote Scientists	Promoting education	Pune (Maharashtra)	900,000	900,000	900,000	Agency: In Association with Jnana Prabodhini
4	KPIT SPARKLE	Promoting education	Pune (Maharashtra)	11,500,000	11,459,972	11,459,972	Direct
5	KPIT SHODH	Promoting education	Pune (Maharashtra)	1,000,000	830,000	830,000	Agency: In Association with IISER, Pune
	Total			**13,850,000**	**13,639,972**	**13,639,972**	

For and on behalf of the Board of Directors

Anant Talaulicar
Chairman of CSR Committee

Kishor Patil
CEO & Managing Director

Pune
May 15, 2019

Annexure 6

Form MGT-9

Extract of Annual Return

as on the financial year ended 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:	U74999PN2018PLC174192
ii)	Registration Date:	January 8, 2018
iii)	Name of the Company:	KPIT Technologies Limited (formerly KPIT Engineering Limited)
iv)	Category/Sub-Category of the Company	Public Company - Limited by shares
v)	Address of the Registered office and Contact details:	Plot 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune 411057. Telephone: +91-20-6770 6000
vi)	Whether listed company:	No ***The Company has listed its equity shares on BSE Limited and National Stock Exchange of India Limited on April 22, 2019.***
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	**Karvy Fintech Private Limited** Karvy Selenium, Tower B, Plot 31 -32, Gachibowli, Financial District, Nanakramguda, Selilingampally Mandal, Hyderabad – 500032. Tel: +91- 40 – 6716 2222. Email: einward.ris@karvy.com Website: www.karvyfintech.com Contact Person: Mr. S V Raju

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	Architecture and Engineering Activities; Technical testing and analysis	71	99.95%

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	Impact Automotive Solutions Limited Plot No. 2, Survey No. 288, Hissa No. 1 to 4, Village Maan, Taluka Mulshi, Pune 411057.	U35923PN2010PLC137191	Subsidiary	100	2(87)(ii)

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of the shares held	Applicable Section
2	Yantra Digital Services Private Limited 9D, Floor-GRD, Plot-149/151, Karsandas Building, Raja Rammohan Roy Marg, Bangarwadi Prarthana Samaj, Girgaon Mumbai – 400004.	U72900MH2016PTC274472	Associate	45	2(87)(ii)
3	KPIT Technologies (UK) Limited Coventry University Technology Park, Puma Way, Coventry CV1 2TT.	N.A.	Subsidiary	100	2(87)(ii)
4	KPIT Technologies GmbH Adams-Lehmann-Straße 109, 80797 Munich, Germany.	N.A.	Subsidiary	100	2(87)(ii)
5	KPIT Technologies Netherlands B.V. Westerdoksdijk 423, 1013 BX, Amsterdam, The Netherlands.	N.A.	Subsidiary	100	2(87)(ii)
6	MicroFuzzy KPIT Tecnologia Ltda, Brasil (Formerly Systime Global Solutions Ltda) Rua James Watt, 84 – 8º andar – Jardim Edith. CEP 04576-050 – São Paulo/SP – Brasil.	N.A.	Subsidiary	100	2(87)(ii)
7	KPIT (Shanghai) Software Technology Co., Limited. 1603-1604, Tower B, Central Towers, 567 Langao Road, Shanghai 200333, PRC.	N.A.	Subsidiary	100	2(87)(ii)
8	MicroFuzzy Industrie-Elektronic GmbH Taunusstr. 38 80807 Munich Germany.	N.A.	Subsidiary	87.5	2(87)(ii)
9	KPIT Technologies GK Senikaikan 5th Floor, 3-1-11 Nihonbashi Honcho Chuo-ku Tokyo.	N.A.	Subsidiary	100	2(87)(ii)
10	KPIT Technologies Inc. 1209 Orange Street-Corporation Trust Centre, New Castle County, Wilmington, Delaware 19801.	N.A.	Subsidiary	100	2(87)(ii)
11	KPIT Technologies Holding Inc. 1209 Orange Street – Corporation Trust Center, New Castle County, Wilmington, Delaware 19801.	N.A.	Subsidiary	100	2(87)(ii)

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of the shares held	Applicable Section
12	KPIT Technologies Pte. Limited 9 Raffles Place #27-00 Republic Plaza, Singapore 048619.	N.A.	Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN

i) Category-wise Share Holding*

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	3.08	3.08
B	Central Government	-	-	-	-	-	-	-	-	-
C	State Government(s)	-	-	-	-	-	-	-	-	-
D	Bodies Corporate	-	99,994	99,994	100	105,558,166	-	105,558,166	38.50	(61.49)
E	Bank & FII	-	-	-	-	-	-	-	-	-
F	Any other									
	Individuals holding shares as registered owners for the beneficial interest of Body Corporate	-	6	6	0.01	-	-	-	-	(0.01)
	Sub-Total (A)(1)	**-**	**100,000**	**100,000**	**100**	**113,998,596**	**-**	**113,998,596**	**41.58**	**(58.42)**
(2)	**FOREIGN**									
A	NRIs – Individuals	-	-	-	-	40,000	-	40,000	0.01	0.01
B	Other – Individuals	-	-	-	-	-	-	-	-	-
C	Bodies Corporate	-	-	-	-	-	-	-	-	-
D	Banks & FII	-	-	-	-	-	-	-	-	-
E	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**40,000**	**-**	**40,000**	**0.01**	**0.01**
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)	**-**	**100,000**	**100,000**	**100**	**114,038,596**	**-**	**114,038,596**	**41.59**	**(58.40)**

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	
B	**PUBLIC SHAREHOLDING**									
(1)	**Institutions**									
A	Mutual Funds	-	-	-	-	5,757,458	-	5,757,458	2.10	2.10
B	Banks/FI	-	-	-	-	22,043	-	22,043	0.01	0.01
C	Central Government	-	-	-	-	-	-	-	-	-
D	State Government(s)	-	-	-	-	-	-	-	-	-
e	Venture Capital Funds	-	-	-	-	-	-	-	-	-
F	Insurance Companies	-	-	-	-	-	-	-	-	-
G	FIIs	-	-	-	-	1,295,543	-	1,295,543	0.47	0.47
H	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
I	Others	-	-	-	-	-	-	-	-	-
(i)	Foreign Portfolio Investor (Corporate)	-	-	-	-	91,026,275	-	91,026,275	33.20	33.20
(ii)	Foreign Mutual Fund	-	-	-	-	-	-	0	0.00	-
(iii)	Alternate Investment Funds	-	-	-	-	666,964	-	666,964	0.24	0.24
(iv)	Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**-**	**-**	**-**	**-**	**98,768,283**	**-**	**98,768,283**	**36.03**	**36.03**
(2)	**Non-Institutions**									
A	Bodies Corporate									
I	Indian	-	-	-	-	9,567,869	3,097	9,570,966	3.49	3.49
Ii	Overseas	-	-	-	-					
B	Individuals									
I	Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	17,382,493	326,495	17,708,988	6.46	6.46
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	15,956,336	582,000	16,538,336	6.03	6.03
C	Others	-	-	-	-	-	-	-	-	-
i	NBFCs registered with RBI	-	-	-	-	5,003,915	-	5,003,915	1.83	1.83
ii	Clearing Members	-	-	-	-	1,740,453	-	1,740,453	0.63	0.63

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	Non Resident Indians	-	-	-	-	3,617,234	7,000	3,624,234	1.32	1.32
iv	Foreign Nationals	-	-	-	-	154,066	-	154,066	0.06	0.06
v	Hindu Undivided Families	-	-	-	-	601,237	0	601,237	0.22	0.22
vi	Trusts	-	-	-	-	578,248	-	578,248	0.21	0.21
vii	IEPF	-	-	-	-	175,113	-	175,113	0.06	0.06
viii	Overseas Depositories (Holding DRs) (Balancing figure)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	**-**	**-**	**-**	**-**	**54,776,964**	**918,592**	**55,695,556**	**20.32**	**20.32**
	Total Public Shareholding (B) = (B)(1) + (B)(2)	**-**	**-**	**-**	**-**	**153,545,247**	**918,592**	**154,463,839**	**56.35**	**56.35**
C	**SHARES HELD BY CUSTODIAN FOR ADRs AND GDRs**	-	-	-	-	-	-	-	-	-
D	Non Promoter-Non Public (KPIT Technologies Employees Welfare Trust)	-	-	-	-	5,641,373	-	5,641,373	2.06	2.06
	GRAND TOTAL (A+B+C)	**-**	**100,000**	**100,000**	**100**	**273,225,216**	**918,592**	**274,143,808**	**100**	**-**

*National Company Law Tribunal, Mumbai Bench vide its Order dated November 29, 2018 approved the Composite Scheme of Arrangement amongst Birlasoft (India) Limited("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. In terms of Clause 25 of the said Scheme, the entire pre demerger share capital of ` 10,00,000/- consisting of 1,00,000 equity shares of ` 10/- each has been cancelled, extinguished and annulled. Further, the Company has allotted 274,143,808 equity shares of ` 10/- each on January 29, 2019 to the shareholders of KPIT Technologies Limited (renamed as Birlasoft Limited) as on January 25, 2019 in the ratio of 1:1 pursuant to the said Order.

ii) Shareholding of Promoters*

Sr. No.	Shareholder Name	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	0.16	-	-	0.16
2	Ms. Nirmala Pandit	-	-	-	-	239,000	0.09	-	-	0.09
3	Mr. Chinmay Pandit	-	-	-	-	38,620	0.01	-	-	0.01
4	Mr. Kishor Patil	-	-	-	-	2,989,080	1.09	-	-	1.09
5	Ms. Anupama Patil	-	-	-	-	122,330	0.04	-	-	0.04
6	Mr. Shrikrishna Patwardhan	-	-	-	-	1,100,000	0.40	-	-	0.40
7	Mr. Ajay Shridhar Bhagwat	-	-	-	-	2,636,800	0.96	-	-	0.96
8	Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	-	-	-	-	43,300	0.02	-	-	0.02
9	Mr. Sachin Dattatraya Tikekar	-	-	-	-	840,800	0.31	-	-	0.31
10	Proficient Finstock LLP	-	-	-	-	27,130,949	9.90	1,20,89,000	4.41	9.90
11	K and P Management Services Private Limited	-	-	-	-	300,910	0.11	-	-	0.11
12	National Engineering Industries Limited	-	-	-	-	72,956,796	26.61	-	-	26.61
13	Central India Industries Limited	-	-	-	-	5,169,511	1.89	-	-	1.89
14	Ms. Hemlata Shende	-	-	-	-	40,000	0.01	-	-	0.01
Total		**-**	**-**	**-**	**-**	**114,038,596**	**41.60**	**12,089,000**	**4.41**	**41.60**

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	-	-	-	-
	Increase / Decrease during the year*	430,500	430.50	430,500	0.16
	At the end of the year			430,500	0.16
2	**Ms. Nirmala Pandit**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	239,000	239.00	239,000	0.09
	At the end of the year			239,000	0.09
3	**Mr. Chinmay Pandit**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	38,620	38.62	38,620	0.01
	At the end of the year			38,620	0.01
4	**Mr. Kishor Patil**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	2,989,080	2,989.08	2,989,080	1.09
	At the end of the year			2,989,080	1.09
5	**Ms. Anupama Patil**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	122,330	122.33	122,330	0.04
	At the end of the year			122,330	0.04
6	**Mr. Shrikrishna Patwardhan**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	1,100,000	1,100.00	1,100,000	0.40
	At the end of the year			1,100,000	0.40
7	**Mr. Ajay Shridhar Bhagwat**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	2,636,800	2,636.80	2,636,800	0.96
	At the end of the year			2,636,800	0.96
8	**Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	43,300	43.30	43,300	0.02
	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 Dattatraya Tikekar**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	840,800	840.80	840,800	0.31
	At the end of the year			840,800	0.31
10	**Proficient Finstock LLP**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	27,130,949	27,130.95	27,130,949	9.90
	At the end of the year			27,130,949	9.90
11	**K and P Management Services Private Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	300,910	300.91	300,910	0.11
	At the end of the year			300,910	0.11
12	**National Engineering Industries Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	72,956,797	72,956.80	72,956,797	26.61
	At the end of the year			72,956,797	26.61
13	**Central India Industries Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	5,169,511	5,169.51	5,169,511	1.89
	At the end of the year			5,169,511	1.89
14	**Ms. Hemlata Shende**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	40,000	40.00	40,000	0.01
	At the end of the year			40,000	0.01

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**% of total shares at the beginning of the year is calculated on the shareholding as on April 1, 2018 which was 1,00,000 equity shares of ` 10/- each.

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	**National Engineering Industries Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	72,956,796	72,956.80	72,956,796	26.61
	At the end of the year			72,956,796	26.61
2	**Proficient Finstock LLP**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	27,130,949	27,130.95	27,130,949	9.90
	At the end of the year			27,130,949	9.90
3	**Central India Industries Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	5,169,511	5,169.51	5,169,511	1.89
	At the end of the year			5,169,511	1.89
4	**Bengal Finance & Investment Private Limited**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	5,000,000	5,000.00	5,000,000	1.82
	At the end of the year			5,000,000	1.82
5	**New Horizon Opportunities Master Fund**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	4,999,000	4,999.00	4,999,000	1.82
	At the end of the year			4,999,000	1.82
6	**Acacia Partners, LP**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	4,800,000	4,800.00	4,800,000	1.75
	At the end of the year			4,800,000	1.75
7	**Acacia Institutional Partners, LP**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	4,597,575	4,597.58	4,597,575	1.68
	At the end of the year			4,597,575	1.68
8	**Ashish Kacholia**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	4,269,579	4,269.58	4,269,579	1.56
	At the end of the year			4,269,579	1.56
9	**Government Pension Fund Global**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	3,842,196	3,842.20	3,842,196	1.40
	At the end of the year			3,842,196	1.40

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
10	**Acacia Conservation Fund LP**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	3,430,056	3,430.06	3,430,056	1.25
	At the end of the year			3,430,056	1.25

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**% of total shares at the beginning of the year is calculated on the shareholding as on April 1, 2018 which was 1,00,000 equity shares of ` 10/- each.

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	-	-	-	-
	Increase / Decrease during the year*	430,500	430.50	430,500	0.16
	At the end of the year			430,500	0.16
2	**Mr. Kishor Patil**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	2,989,080	2,989.08	2,989,080	1.09
	At the end of the year			2,989,080	1.09
3	**Mr. Sachin Dattatraya Tikekar**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	840,800	840.80	840,800	0.31
	At the end of the year			840,800	0.31
4	**Mr. Vinit Teredesai (Key Managerial Personnel – Chief Financial Officer)**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	276	0.28	276	-
	At the end of the year			276	-

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
5	**Ms. Nida Deshpande (Key Managerial Personnel - Company Secretary)**				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year*	1	-	1	-
	At the end of the year			1	-

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**% of total shares at the beginning of the year is calculated on the shareholding as on April 1, 2018 which was 1,00,000 equity shares of ` 10/- each.

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	-	-	-	-
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year*					
·	Addition	1,494.16	18.76	-	1,512.92
·	Reduction	(201.72)	-	-	(201.72)
Net Change		**1,292.44**	**18.76**	**-**	**1,311.20**
Indebtedness at the end of the financial year					
i)	Principal Amount	1,292.44	18.76	-	1,311.19
ii)	Interest due but not paid	0.07	1.18	-	1.25
iii)	Interest accrued but not due	1.67	-	-	1.67
Total (i+ii+iii)		**1,294.18**	**19.94**	**-**	**1,314.11**

* Change in indebtedness is on account of demerger of the Company. Please refer Board's Report for details of demerger.

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	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3.40	3.36	3.12	9.88
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	0.10	-	0.10
	(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)	**3.40**	**3.46**	**3.12**	**9.98**
	Ceiling as per the Act	83.98 (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.

B. Remuneration to other Directors:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration	Name of Directors					Total
		Mr. B V R Subbu	Mr. Anant Talaulicar	Mr. Nickhil Jakatdar	Prof. Alberto Sangiovanni Vincentelli	Ms. Shubhalakshmi Panse	
1	Independent Directors						
	· Fee for attending board/committee meetings	0.015	0.015	-	-	0.015	0.045
	· Commission	1.74	1.03	0.43	1.01	0.38	4.59
	· Others	-	-	-	-	-	-
	Total (1)	**1.755**	**1.045**	**0.43**	**1.01**	**0.395**	**4.635**

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration	Mr. Rohit Saboo	Dr. Klaus Blickle	Total
2	Other Non-Executive Directors			
	· Fee for attending board/committee meetings	0.015	-	0.015
	· Commission	0.38	0.65	1.03
	· Others	-	-	-
	Total (2)	**0.395**	**0.65**	**1.045**
	Total (B) = (1+2)			**5.68**
	Total Managerial Remuneration			**15.66**
	Overall Ceiling as per the Act	92.38 (being 11% of net profit of the Company calculated as per section 198 of the Companies Act, 2013).		

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	Chief Financial Officer	Company Secretary	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3.36	1.92	0.41	5.69
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0.10	-	-	0.10
	(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	**3.46**	**1.92**	**0.41**	**5.79**

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					
	Punishment			NIL		
	Compounding					
B.	**DIRECTORS**					
	Penalty					
	Punishment			NIL		
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment			NIL		
	Compounding					

For and on behalf of the Board of Directors

Pune
May 15, 2019

S. B. (Ravi) Pandit
Chairman

Management Discussion & Analysis

GLOBAL OUTLOOK

Global economy activity started on a healthy basis in first half of 2018, continuing the global economic growth experienced in 2017. The global expansion started weakening in the second half of 2018, with euro area losing momentum and China slowing down on the regulatory crackdown on the shadow lenders as well as trade tensions with the US. The global economic growth cooled from a peak growth of 4% in 2017 to 3.6% in 2018. The IMF forecasts that the global economic growth to soften to 3.3% in 2019.

The US economy continued its robust expansions even as the benefits of lower taxes waned with un-employment remaining at multi decade lows. Despite a tight labor market, inflation remained within the US Federal Reserve's range of 2% even as the Fed continued to raise interest rates. By the end of 2018, the Fed had hiked 9 times, after almost a decade of unconventional monetary policies with the market factoring 2-3 more hikes for 2019, at the end of 2018. The Dow Jones Industrial average returned negative 5.6%, with the market experiencing a meltdown towards the end of the year as financial conditions tightened threatening growth, trade tension escalation, and a hawkish Fed perceived to derail the decade long US expansion. Financial conditions eased in early 2019, when the Fed was ready to be patient with further rate hikes, global equity markets recovered in a V shaped manner. With the US Fed now out of the way, trade tariffs imposed by President Trump on Chinese imports and retaliatory tariffs by China likely to lead to trade war now remain the single largest risk to global growth. The US GDP grew by 2.9% in 2018 compared to 2.2% in 2017. The Fed expects US GDP to clock 2.1% in 2019.

The Euro-area economy weakened in the second half of 2019. The business confidence took a hit due to increasing trade tensions. Car production in Germany was disrupted due to stricter emission standards. European manufacturing PMI's fell below the 50 mark in early 2019 indicating a contractionary environment, way below the high 50's that it saw through 2017 and first half of 2018. The European Central Bank continued with its negative real interest rate policy and the first rate hike is not in the vicinity through 2019. Inflation has continued to trend down, after hitting 2% in late 2018. The Euro-area economy grew by 1.8% in 2018 and the ECB staff estimates the economy to grow by 1.2% in 2019.

The Chinese GDP grew 6.6% in 2018, its slowest pace in 30 years. The PBOC went into accommodation in middle of 2018 with cuts in Reserve Ratio Requirements as priorities shifted from deleveraging to growth support. As economic growth has been threatened by imposition of tariffs of Chinese exports to US, various stimulus measures were announced including monetary accommodation and lower taxes. IMF expects Chinese GDP growth to be at 6.3% in 2019.

INDUSTRY TRENDS

The mobility world is going through a huge revolution steered by connected cars, autonomous driving, artificial Intelligence, cybersecurity, big data & analytics, electrification and Internet of Things (IoT). Coupled with these changes, intensifying regulatory and safety mandates are leading unprecedented disruptions in the automotive industry. Technological developments have led to several innovations in the vehicles of the future. For instance, big data analytics platforms are now used to optimize various parts, giving original equipment manufacturers (OEMs) a qualitative advantage in an intensely competitive market. These technologies will not only help enhance the end-user experience but will also make a huge impact on the supply chain and change the very approach OEMs use for automobile manufacturing.

Digitization, automation, and new business models have revolutionized other industries. The automotive industry is no exception. These forces are giving rise to major megatrends in the automotive sector: shared mobility, autonomous driving, electrification, and connectivity. Most industry players and experts agree that these trends will reinforce one another, and that the automotive industry is ripe for disruption.

Within the next 10 years almost all cars in mature markets will have some form of connectivity largely due to availability of faster communication networks and rising consumer preferences towards connected features.

Penetration rates for autonomous cars may reach a level between 5% and 26% in ~15-20 years as necessary economics, regulations and technology fall into place.

New mobility business models have emerged, and are poised to impact car ownership, personal mobility and logistics industry: The market share of new vehicle sales for application in the field of new mobility (e.g. ride hailing, car sharing) is expected to range between 10-15% in the US and Europe and up to 35% in China by 2025.

Momentum for electrification technologies is building among OEMs due to increasing regulatory pressure on emissions and declining battery prices: Scenarios for the share of EV cars in 2025 range from 8-20% in the US, 20-32% in Europe and 29-47% in China.

Attracted by the shift in customer preferences, the importance of the new trends, and the global automotive market's massive size and value-creation potential, technology players are making their way into the sector. As they develop new software options, cars are evolving into computers on wheels, a change similar to events in the computer industry 20 years ago and the cell phone industry 10 years ago. As a result, we anticipate that a complex ecosystem will emerge in the automotive sector.

OUR STRATEGY

We have detailed our strategy in the Letter from CEO & Managing Director and President & Whole-time Director. Here is a snapshot of our strategy going forward:

Verticals that we focus on:

- Passenger Cars
- Commercial and Off Highway Vehicles
- New Mobility

Strategic Customer Relationships:

We are focusing on Select Customers (OEMs, New Mobility Companies and Tier I) to help us achieve our Mission and Vision. Our strategic customers are based on the following principles:

- Importance to us from overall Mobility ecosystem perspective
- Highest level of relationship and committed to strategic partnership
- Strategic for our practices
- High quality of engagement (platforms, tools, accelerators, annuity deals)

Customers want to bring new innovative features faster to the market.

Our proposition of "faster time to market" will be supported by:

- Platforms, Tools and Accelerators
- Deep Domain Expertise &
- Ability to and agility in scaling globally.

What we do:

We help our customers to go from design to production. Our offerings include solutions centered on software design, development and validation. Our solutions are knowledge intensive. We leverage platforms, tools and accelerators that enable re-use and faster time to market

What we do not do:

We do not engage in the regular sale of hardware products, although we build adequate hardware expertise to ensure smooth operation of software. Products which include both Hardware and Software are delivered by an associate or a partner company.

Customer Intimacy:

We are building customer intimacy through

- Practice and program management presence at key global locations
- Global delivery model
- Consistent customer experience across all locations
- Diverse teams in cultures, languages and thoughts

Networking by participation in global conferences, seminars and expos

FINANCIAL PERFORMANCE:

During the year, till end of Q2FY19, the erstwhile KPIT numbers were reported as combined numbers for the IT and Engineering business. In Q3FY19 only the Business IT numbers were reported as a continuing business and a snapshot of the Engineering Business was reported as discontinued business. Q4FY19 was the first quarter post merger-demerger for reporting of the independent new KPIT Technologies (only engineering business) numbers.

REVENUES:

During this year, our Engineering business $ revenue stood at $ 270.8 Million, a Y-o-Y growth of 22.9% against $220.39 Million in FY18. In ₹ terms, revenue for the year was reported at ₹ 19,428.21 Million. The services revenue for the year stood at $ 266.29 Million, recording a growth of 27.8% over last year. FY18 services revenue was $ 208.32 Million. The products and platforms revenue declined 7.5% during the year.

Our Strategy for the Products and Platforms continues to focus only on Software Platforms, Hardware Design and Software Integration with the Hardware. Wherever required, we will work with a hardware partner. This strategy will help us focus on our strength, which is software platforms.

Revenues in $ Million	FY 2018	FY 2019	Growth
Services (PES)	208.32	266.29	27.8%
Products & Platforms (PnP)	12.07	4.55	(62.3%)
Total	**220.39**	**270.84**	**22.9%**

The growth was spread across our focus practices however AD-ADAS (Autonomous Driving – Advanced Driver Assistance Systems), ePT (Electric Powertrain) and Diagnostics led the growth during the year.

In terms of geographies, Europe led the growth followed by Asia and then the US.

Revenues in $ Million	FY 2018	FY 2019	Growth
US	98.75	110.71	12.1%
Europe	71.34	99.47	39.4%
Asia	50.30	60.66	20.6%
Total	**220.39**	**270.84**	**22.9%**

Currently bulk of our revenues come from the passenger car segment followed by the commercial vehicle segment. In both these verticals, the revenue share from Car Manufacturers (OEMs) is substantially higher than that from Tier I vendors. New Mobility is a new vertical for us where we are creating futuristic solutions to help us grow in this vertical in the coming years.

PROFITABILITY:

The Operational EBITDA for the year FY19 stood at 12.1% with reported EBITDA being 11.5%. The difference between Reported EBITDA and Operational EBITDA is the expenses related to the Composite Scheme of Merger and Demerger to the tune of ₹ 110 Million.

In line with our strategy to move away from the hardware business and focus exclusively on software intensive solutions, during Q4FY19, we provided for the complete exposure in our joint venture company, established for running the KIVI Smart BUS WiFi business. The total provision made during the quarter was ₹ 342.91 Million. This was a one-time provision of the full exposure for this business. This was reported under exceptional item in the published format. The KPIT Employee Welfare Trust (which is consolidated into KPIT) holds Birlasoft shares. The change in the Fair Market Value of these shares led to a one-time gain of ₹ 319.01 Million which was reported under Other Income in Q4FY19.

Profitability improvement is one of our operational focus area. During the year, we continued investing (hiring talent) in our global delivery centers, especially in Germany. Growth in the ensuing quarters will help us leverage these investments and thus expand the operating margins. Another medium-term objective is to increase the revenues from Platforms, IPs and tools, which inherently gives us higher Gross Margins.

SHAREHOLDER’S FUNDS

The Shareholder’s Funds as at March 31, 2019 stood at ₹ 9,596 Million

LIQUIDITY

The Cash Balance as at March 31, 2019 stood at ₹ 2,207 Million.

The DSO were at 87 days, at the quarter end. The DSO as at the end of the quarter were on the higher side majorly due to delay in billing for some customers which were not novated in time. Majority of this billing was completed in the month of March which forms the bulk of the increased debtors.

As on March 31, 2019 our total debt stood at ₹ 1,307 Million comprising of ₹689 Million of Term Loan and ₹ 618 Million of Working Capital Loan.

Thus, the Net Cash Balance as at March 31, 2019 stood at ₹900 Million

EMPLOYEES

The total headcount including those on contract for the company stood at 6,614 as at the end of FY19. The Development Headcount was 6,303. The detail update on People is covered under the Chairman's Letter.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The CEO & CFO certification provided elsewhere in this Annual Report discusses the adequacy of internal control systems and procedures in place.

RISKS AND CONCERNS

A separate report on Enterprise Risk Management is provided elsewhere in this Annual Report.

Cautionary Statement

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

Enterprise Risk Management for FY 2018-19

We are living in Global, Connected and fast changing world. Technology disruption, geo-political tensions, trade conflicts, stringent regulatory framework can have significant impact on business strategy and operations of the Company. Company has a robust and structured Enterprise Risk Management (ERM) strategy to identify and evaluate, measure and monitor and mitigate these risks to ensure that it can create sustainable long term value for all the stakeholders.

Risk Management Overview

Cyclical nature of automotive vertical along with new technology disruption in the areas of safety, like in autonomous driving and cleaner powertrain and electrification can have impact on growth and profitability for the Company. Company has implemented robust risk management framework which incorporates evaluation and management of global risks considering focus on Engineering business & related business environment.

Company's risk management framework covers strategic risks, operational risks, financial risks, economic & political risks, legal & compliance risks, reputation risks and physical and security risks.

The Company has defined risk management governance framework which helps in

- Identify and evaluate risk
- Measure and monitor risk
- Mitigate risk

The Audit Committee of the Board oversees implementation of risk management framework along executive management of the Company. Company has setup a Risk Management Office comprising of senior members in the company. For every risk, risk owner/s are identified who are senior members in the company. Key risks along with mitigation plan are identified and reviewed along with executive management of the company on quarterly basis. All the risks are presented to the Audit Committee of the Board. It reviews all the risks; identifies top risks for the Company and monitors the mitigation plan on regular basis.

Summary of key risks

Top ten risks are those risks that are critical and can have significant impact company's ability to achieve strategic objectives. These risks are –

1. Cyclical nature of Automotive industry

Company's current revenues are generated from automotive vertical and in particular passenger car segment. Cyclical nature of automotive industry can have an impact on company's growth and profitability. Company's focus is to deeply engage with identified top customers with whom it has strategic relationship and connects at senior level. This enables company to get insights into customer's strategy and industry trends. To further improve stickiness with customer, company is focusing annuity revenue. To minimize impact on profitability, company is working on creating a flexible workforce and cost structure globally. It is also increasing focus on commercial vehicle segment and new mobility with identified offerings.

2. Technology Disruption

Emergence of new technology can create disruption in company's business model. To mitigate the same company has periodic Practice Development Forum's to review market trends and review development of new offerings with participation of global teams. Chief Technology Officer of the company also engages with customer's senior team to identify offerings which relevant from long term point of view.

Company has also set advisory boards with experts who have deep domain and industry knowledge from automotive industry in different countries to guide the company on the same.

3. Inability to grow in Top customers

Company focuses on select top OEM & Tier1 customers to drive its growth strategy. Each top customer is selected through Global Account Management (GAM) framework after careful evaluation considering its importance to company from overall mobility ecosystem, highest level of relationship and commitment to strategic partnership, strategic fit for our practice offerings and high quality of engagement. Company has identified key roles for such customers like account management, subject matter experts, program managers & delivery managers etc., These people work collaboratively across geographies to drive growth as well as build strong strategic relationship with top customers.

4. Delivery Excellence

Overall automotive industry is becoming more and more competitive and companies are looking for partners who can help them bring their products to market smarter, faster and better. Stricter regulations relating to vehicle safety, emission are being introduced around the world. Work that we do for our customers is critical for their production programs, reducing emission as well as improving safety.

We are focusing on further improving our delivery framework which will enhance customer experience. We have a dedicated team of delivery leaders for each customer as well as programs. Multi-level reviews (MLR) system is in place for review of project delivery. Delivery excellence group, program management office and delivery compliance and risk management office monitor and control, planning and execution of complex customer programs through service delivery excellence program. Tools & automation framework is also in place to further improve delivery excellence.

5. Lower Profitability

Company's profitability is significantly influenced by customers' spending patterns, competitive pricing pressure and increasing employee and other operational costs. On the other side, company continues to make investments in Technology, so that it remains preferred partner for the customer.

People cost is significant cost the company. To manage people cost despite annual wage increase, company continues to monitor various matrix like utilization, bench ageing, employee pyramid etc. to improve operational efficiency. It leverages global delivery model for effective use of talent across various centers. Company also have controls and multi-level approvals in place for commitment of any major expenses. It invests in tools & automation to further improve productivity & profitability.

6. Economic & Political risk

The Company as well as its customers have global footprint and are affected by economical & political events occurring across world. In last few years, we have seen increase in protectionist trends like trade restrictions as well as restrictions on global movement of talent. This has impact on business predictability and stability, hindering smooth business operations. Company is focusing on building global presence with local talent in delivery centers in all major locations where it operates. Regular review of changes in regulations, especially immigration laws is done as part of proactive planning. Periodic review is also done on impact of such events on customer's business and investments are realigned / planned based on new opportunities that are created based on changing business environment.

7. Top Talent retention & attraction

Ability to attract and retain talent, especially having competence on new technology areas in our key focus areas, is key for the company to maintain leadership in technology areas. Company focus on controlling attrition of its top talent Higher employee attrition has adverse impact its growth and same is monitored by embedding talent acquisition, retention and talent grooming with right competencies, as an integral part of strategic objectives. This is achieved by making significant investments and efforts to strengthen people function and focus on various employee engagements.

Company has made strategic collaboration with Universities / Institutions in India as well as globally to bridge the gap between academia & industry needs with company created curriculum. Upon joining company, employees go through intense trainings in their area of work. Training programs are also conducted for continuous up gradation of skills and certifications across all the experience levels including higher education initiatives with reputed university. Effective employee engagement and recognition framework at different level is in place with focus on top talent which helps in talent retention.

8. Ineffective capital management, liquidity & funding

Effective capital and liquidity management is key considering liquidity tightening and stringent regulatory environment, volatile financial markets and foreign currency due to geo-political and trade conflicts.

To ensure adequacy of funds for smooth business operations as well as for growth and investment, company has effective controls and processes in place. It meticulously reviews liquidity position which includes active monitoring of cash flow and cash flow projections, control on days sales outstanding (DSO) by focus on timely collection of receivable from the customers. It also has adequate and effective control on procurement process for commitment of any expenses of operating as well as capital nature. It has also setup up adequate lines of credit from bankers.

9. Liability from customer contracts

Customer engagement is critical for customer oriented business like ours. Ineffective customer relationships may impact our core operational areas and lower revenues or might result in additional costs to the Company. This may culminate in claims for damages by customer which may adversely affect profit margins.

This risk is measured by risk on account of delayed project execution or defective deliveries or products, poor customer satisfaction scores, long disputed outstanding or issues and any other aspect considered relevant for determining the possibility of claim.

The company mitigates this risk by scrupulous review of customer contracts, appropriate risk covers, strengthening program management capability & global delivery management framework.

10. Major Currency fluctuation

Significant currency fluctuations have an impact on company's financial results. Rupee appreciation against major currency, in which company transacts will negatively impact company profitability. To mitigate the risk, company has adopted a prudent forex hedging policy which is reviewed by management and approved by the board. Policy helps company to minimize the impact of currency fluctuations on its profitability. Policy is reviewed periodically and its implementation is reviewed by Chief Financial Officer (CFO)

Report on Corporate Governance

Corporate Governance Philosophy:

Corporate Governance implies an accurate, adequate and timely disclosure of relevant information. It 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. Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. 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 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have introduced some new and innovative means to make corporate governance in India optimally progressive, transparent and beneficial to all the stakeholders.

We believe 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 a value system which has evolved over a period of time. This value system has been abbreviated as CRICKET, which illustrates the Company's attributes as follows:

- ➢ Customer Focus
- ➢ Respect for Individual
- ➢ Integrity
- ➢ Community Initiative
- ➢ Knowledge Worship
- ➢ Entrepreneurship and Innovation
- ➢ Teamwork and boundarylessness

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner; fulfilling its corporate responsibility to various stakeholders and retaining and enhancing investor trust and is based on the following principles:

1. Compliance with the relevant provisions of securities laws and conformity with globally accepted practices of corporate governance, secretarial standards 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 Company was not listed as on March 31, 2019, date of this report and has complied with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on discretionary basis. The Company got listed on BSE Limited and National Stock Exchange of India Limited on April 22, 2019.

Our Board of Directors periodically reviews its corporate strategies, annual budgets and sets, implements and monitors corporate objectives, Company's governance practices and ensures transparent Board processes.

I. BOARD OF DIRECTORS

A. Size and composition of the Board

In order to maintain independence of the Board, we have a judicious mix of Executive, Non-Executive and Independent Directors on the Board which is essential to separate the two main Board functions viz. governance and management. Out of the total strength of ten Directors as on March 31, 2019, six are Independent / Non-Executive Directors, three are Executive Directors and one is Nominee Director. The Non-Executive Directors come from diverse background and possess rich experience and expertise in various industries such as automotive, energy & utilities, manufacturing, electronics, finance and research. The Board periodically evaluates the need for increasing or decreasing its size. The composition of the Board and the number of directorships held by each Director both in the Company as well as outside the Company is detailed in Table 1.

Table 1: The composition of the Board and the number of directorships held by them as on March 31, 2019

Sr. No.	Name of Director	Category of Directorship at KPIT	Relationship with the Directors	No. of Director ships held in Public Companies*	No. of Committee Membership in Companies@	No. of Chairmanship in Committees@	Names of the listed entities where the person is a director and the category of directorship	
							Name of listed entity	Category of directorship
1	Mr. S. B. (Ravi) Pandit, Chairman	Executive	None	3	1	Nil	Thermax Limited	Independent Director
2	Mr. Kishor Patil, CEO & Managing Director	Executive	None	3	1	Nil	Nil	Nil
3	Mr. Sachin Tikekar, Whole-time Director	Executive	None	1	1	Nil	Nil	Nil
4	Mr. Anant Talaulicar	Independent	None	4	1	1	1) The Hi-Tech Gears Limited 2) Force Motors Limited 3) Birlasoft Limited	Non-Executive Director Independent Director Independent Director
5	Mr. B V R Subbu	Independent	None	1	1	1	Nil	Nil
6	Prof. Alberto Sangiovanni Vincentelli	Independent	None	1	Nil	Nil	Nil	Nil
7	Dr. Klaus Blickle#	Non-Executive	None	1	Nil	Nil	Nil	Nil
8	Mr. Nickhil Jakatdar	Independent	None	1	Nil	Nil	Nil	Nil

Sr. No.	Name of Director	Category of Directorship at KPIT	Relationship with the Directors	No. of Director ships held in Public Companies*	No. of Committee Membership in Companies@	No. of Chairmanship in Committees@	Names of the listed entities where the person is a director and the category of directorship	
							Name of listed entity	Category of directorship
9	Ms. Shubhalakshmi Panse	Independent	None	8	5	3	1) Sudarshan Chemical Industries Limited 2) Chola-mandalam Financial Holding Limited 3) The Federal Bank Limited 4) PNB Housing Finance Limited 5) IL & FS Investment Managers Limited 6) Atul Limited	Independent Director
10	Mr. Rohit Saboo	Nominee	None	3	Nil	Nil	Nil	Nil

* including directorship in KPIT Technologies Limited (formerly KPIT Engineering Limited).

@ includes only Audit Committee & Stakeholders Relationship Committee in all public limited companies including KPIT Technologies Limited (formerly KPIT Engineering Limited).

Resigned with effect from May 15, 2019.

The Board of Directors has identified skills/competencies/ expertise such as Industry knowledge and experience, expertise in strategy and planning, finance, accounts & risk management, technical expertise, global experience / international exposure in order to assist the management and provide them advice in the business operations, which are available with the current Board of Directors of the Company.

B. Independent Directors:

1. Independent Director

All our Independent Directors fulfill the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and also Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the SEBI (LODR) Regulations, 2015”) as explained below. We confirm that in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Independent Director shall mean a Non-Executive Director, other than a Nominee Director of the Company:

a. who, in the opinion of the Board of Directors, is a person of integrity and possesses relevant expertise and experience;

b. who is or was not a Promoter of the Company or its subsidiary or associate companies; (or member of the promoter group of the listed entity);

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

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

e. none of whose relatives has or had pecuniary relationship or transaction with the Company or its 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 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 subsidiary or associate companies; or

(B) any legal or a consulting firm that has or had any transaction with the Company or its subsidiary or associate companies amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the Company, any of its promoters, Directors or its subsidiary or associate companies or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or lessor or lessee of the Company;

g. who is not less than 21 years of age.

h. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

2. Limit on number of directorships

The number of companies in which each Independent Director of the Company holds office as an Independent Director is within the limits prescribed under Regulation 25 of the SEBI (LODR) Regulations, 2015.

3. Maximum tenure of Independent Directors

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

4. Formal letter of appointment to Independent Directors

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

5. Performance evaluation of Independent Directors

The Nomination and Remuneration (HR) Committee has laid down criteria for performance evaluation of Independent Directors, in its policy which are given below:

a) Attendance at Board meetings and Board Committee meetings;

b) Chairmanship of the Board and Board Committees;

c) Contribution and deployment of knowledge and expertise at the Board and Committee meetings;

d) Guidance and support provided to senior management of the Company outside the Board meetings;

e) Independence of behavior and judgment; and

f) Impact and influence.

6. Separate meeting of the Independent Directors-

During FY 2018-19, no separate meeting of the Independent Directors was held. All Independent Directors were appointed with effect from January 16, 2019 post Composite Scheme of merger and demerger became effective and the familiarization programme for independent director was conducted in the month of February, 2019.

7. Familiarization Programme for Independent Directors

All Independent Directors were appointed with effect from January 16, 2019. 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. A familiarization programme was also conducted in the month of February, 2019. The details of such familiarization programs are uploaded on the website of the Company (https://www.kpit.com/investors/#policies-reports-filings).

Further, at every Board meeting, there are detailed business presentations made which are useful to the Directors in understanding the business. The presentations are made by the business leaders so that the Directors are able to connect with the leaders and ask them related questions.

C. Responsibilities of the Chairman and other Executive Directors

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

The Chairman as a founder of the Company, has steered the Company toward achieving leadership position as product engineering and IT consulting solutions and services provider, to three industries namely automotive & transportation, manufacturing and energy & utilities. He is a Promoter of the Company and also plays a strategic role in Community Initiatives and Corporate Governance. He is responsible for the general oversight of the business of the Company and oversight of the board processes.

The CEO & Managing Director is in-charge of the overall management of the Company. He is specifically responsible for all day-to-day operational issues like planning and executing business, reviewing and guiding the country offices, customer delivery units and support functions and ensuring efficient and effective functioning of the organization as a whole. He has a particular focus and vision for growing products and platforms. Currently, he is focusing on creation and management of new Product Business Units, executive sponsorship of critical GAMs, management of key external relationships in India & strategic infrastructure projects.

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

D. Membership Term

As per the current laws in India, Independent Directors can hold office for a term of up to five years which can be extended for another period of five years by the shareholders of the Company. Mr. Anant Talaulicar, Mr. BVR Subbu, Prof. Alberto Vincentelli, Mr. Nickhil Jakatdar and Ms. Shubhalakshmi Panse were appointed as Additional and Independent Director of the Company for a period of five years from January 16, 2019 subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, Dr. Klaus Blickle was appointed as Additional and Non-Executive Director of the Company with effect January 16, 2019. Owing to his other business commitments and preoccupations, Dr. Klaus Blickle resigned from the directorship of the Company with effect from May 15, 2019.

Mr. Rohit Saboo, nominee of National Engineering Industries Limited has been appointed as an Additional and Nominee Director with effect from 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. Mr. S. B. (Ravi) Pandit, retires at the forthcoming Annual General Meeting and being eligible, seeks re-appointment as a Director.

The Executive Directors will be appointed by the shareholders of the Company for a maximum period of five years at a time (subject to retirement by rotation as mentioned hereinabove) but are eligible for re-appointment upon completion of their respective term. Accordingly, Mr. Kishor Patil and Mr. Sachin Tikekar are proposed to be appointed as CEO & Managing Director and Whole-time Director respectively with effect from January 16, 2019 for a period of five years. Further, Mr. S. B. (Ravi) Pandit is proposed to be appointed as a Chairman and Executive Director (Whole-time Director) of the Company with effect from January 16, 2019 for a period ending on March 28, 2020 and thereafter as a Chairman & Non-Executive Director of the Company.

A certificate has been received from Dr. K R Chandratre, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

E. Board & Committee Meeting Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board from various departments of the Company, well in advance, so that they can be included in the Board meeting agenda, if required. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meetings. In compliance with the statutory requirements, the following items are discussed in the meetings:

- Minutes of the previous Board meeting;
- 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;
  - ➢ Statement on foreign exchange exposure and related mitigating activities;
- Presentations of Statutory Auditors' Audit;
- Related party transactions (including material transactions with subsidiaries);
- 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;
- 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;
- 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 requirements and any shareholders' service such as non-payment of dividend, delay in share transfer etc.

Every agenda and minutes of the meetings are prepared in compliance with the Companies Act, 2013 and the rules framed thereunder, in force from time to time and the Secretarial Standards issued by the Institute of Company Secretaries of India. The draft minutes of the proceedings of the meetings of the Board and Committee are circulated to all the Directors and Committee members.

F. Non-Executive Directors' shareholding

During the year under review, the following Non-Executive Directors were appointed in the Company:

a) Mr. Anant Talaulicar

b) Mr. B V R Subbu

c) Prof. Alberto Sangiovanni Vincentelli

d) Mr. Nickhil Jakatdar

e) Ms. Shubhalakshmi Panse

f) Dr. Klaus Blickle.

None of the above directors, held any Equity Shares of the Company as on March 31, 2019.

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

G. Other provisions as to Board and Committees

1. Board meetings schedule:

As a good practice, the dates of the Board meetings in a financial year are decided before the start of the financial year and circulated to all the Board members. These dates are also given in the 'Additional Shareholder Information', which forms a part of this Annual Report. The Board meetings are generally held at the Registered Office of the Company located in Pune. The agenda for each meeting is drafted by the Company Secretary in consultation with the Chairman of the Board and circulated to the Board members in advance. The Board meets at least once every quarter to review and approve the quarterly results and other items on the agenda. In addition, the Board normally meets annually, for discussions on the annual operating plan. Additional Board meetings are held, whenever necessary.

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

a) April 3, 2018;

b) April 25, 2018;

c) July 25, 2018;

d) October 23, 2018;

e) January 14, 2019;

f) February 21, 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	Mr. S. B. (Ravi) Pandit, Chairman	6	6	Yes
2	Mr. Kishor Patil, CEO & Managing Director	6	6	Yes
3	Mr. Sachin Tikekar, Whole-time Director	6	5	Yes
4	Mr. Anant Talaulicar#	1	1	-
5	Mr. B V R Subbu#	1	1	-
6	Ms. Shubhalakshmi Panse#	1	1	-
7	Mr. Rohit Saboo#	1	1	-
8	Prof. Alberto Sangiovanni Vincentelli#	1	-	-
9	Dr. Klaus Blickle#	1	-	-
10	Mr. Nickhil Jakatdar#	1	-	-

* Including attendance by videoconference or teleconference.

Appointed with effect from January 16, 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 applicable acts, laws, rules, regulations and regulatory requirements, the Company has set-up a regulatory compliance process within the organization. The CFO and the Company Secretary of the Company presents a quarterly compliance certificate before the Board of Directors of the Company which reviews the same on a quarterly basis in its Board Meetings.

H. Vigil Mechanism and Whistle Blower Policy

In an effort to demonstrate the highest standards of transparency, the Company has adopted the 'Vigil Mechanism' and 'Whistle Blower Policy', which has established a mechanism for employees to express and report their concerns to the management in a fearless manner about unethical behavior, fraud, violation of the code of conduct or ethics. This mechanism also provides for adequate safeguards against victimization of employees who avail this mechanism and also provide direct access to the Chairman and members of the Audit Committee in exceptional cases. This policy has been uploaded on the website of the Company for effective circulation and implementation. The purpose of this policy is to establish procedures for the:

1. receipt, retention and treatment of complaints received by the Company regarding improper activities, financial or otherwise, in the Company and
2. submission by Whistle Blower on a confidential and / or anonymous basis, of concerns regarding improper activities.

The purpose of this policy is also to state clearly and unequivocally that the Company prohibits discrimination, harassment and / or retaliation against any Whistle Blower who:

1. raises concerns against improper activities or
2. provides information or otherwise assists in an investigation or proceeding regarding improper activities.

The Policy also aims to protect any Whistle Blower who legitimately and in good faith raises concerns or provides information against improper activities.

Everyone in the Company is responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this policy. No employee or Director of the Company has the authority to engage in any conduct prohibited by this Policy.

II. COMMITTEES OF THE BOARD

During the year, Board Committees- Audit Committee, Nomination and Remuneration (HR) Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee, of the Company were constituted. The Board is responsible for constituting, re-constituting and fixing the terms of reference for the committees.

A. Audit Committee

Composition

The Audit Committee has been constituted with effect from January 16, 2019 consisting of three Independent Directors, Mr. Anant Talaulicar is the Chairman of this Committee, Ms. Shubhalakshmi Panse & Mr. B V R Subbu 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 Company Secretary is the Secretary to the Committee. The Statutory Auditors and the Internal Auditors will make their presentations at the Committee meetings.

Role and objectives

The Company has duly defined the role and objectives of the Audit Committee. The role and objectives of the Audit Committee, as defined by the Board of Directors, inter alia include:

1. oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;
   g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture

holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. carrying out any other function as is mentioned in the terms of reference of the audit committee;

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

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

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

24. internal audit reports relating to internal control weaknesses;

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

26. reviewing the utilization of loans and/or advances from investment by the holding company in the subsidiary exceeding ` 100 Crores or 10% of the asset size of the subsidiary whichever is lower including existing loan / advances / investments existing as on the date of coming into force of this provision.

27. statement of deviations:

    a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

    b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

28. approval or any subsequent modification of transactions of the company with related parties.

Meetings

During the year, no meetings of the Audit Committee were held since the constitution of the Committee with effect from January 16, 2019.

B. Nomination and Remuneration (HR) Committee

Composition

The Company has set-up a Nomination and Remuneration (HR) Committee on January 16, 2019. The Committee consists of three Independent Directors and one Executive Director. Ms. Shubhalakshmi Panse chairs this Committee, Mr. Anant Talaulicar, Mr. B V R Subbu and Mr. S. B. (Ravi) Pandit are the other members of the Committee.

Role and objectives

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. formulation of criteria for evaluation of performance of independent directors and the board of directors;

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
7. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
8. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Meetings

During the year, no meetings of the Nomination and Remuneration (HR) Committee were held since the constitution of the said Committee with effect from January 16, 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 has been constituted on January 16, 2019 and Mr. B V R Subbu is the Chairman of the Committee, Mr. Sachin Tikekar and Mr. Kishor Patil are the other members of the Committee. The meetings of the Committee will be 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. The Company has a dedicated e-mail address: grievances@kpit.com for communicating shareholders' grievances.

Role and objectives

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

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

Meetings

During the year, no meetings of Stakeholder Relationship Committee were held since the constitution of the Committee with effect from January 16, 2019.

D. Corporate Social Responsibility (CSR) Committee

Composition

The Company has set up a Corporate Social Responsibility (CSR) Committee though it is not mandatory for the Company as per the provisions of the Companies Act, 2013 and the rules framed thereunder, 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 has been constituted on January 16, 2019. Mr. Anant Talaulicar is the Chairman of the Committee. Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar are the other members of the Committee.

Role and objectives

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

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

Meetings

During the year, no meetings of the Corporate Social Responsibility Committee were held since the constitution of the Committee with effect from in January 16, 2019.

III. SUBSIDIARY COMPANIES

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

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

- Minutes of all the meetings of subsidiaries held in the previous quarter;
- Review of the financial statements, the investments made by the subsidiaries;
- Major dealings of subsidiaries' investment, fixed assets, loans, etc.;
- Statement of all significant transactions and arrangements;
- Compliances by subsidiaries with all applicable laws of that country.

The Company has formulated a policy for determining 'material subsidiaries' and the said policy has been uploaded on the Company's website. (https://www.kpit.com/investors/#policies-reports-filings)

IV. DISCLOSURES

A. Related Party Transactions

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions and the same has been uploaded on the Company's website (https://www.kpit.com/investors/#policies-reports-filings). The related party transactions are placed before the Board for their approval / noting as the case may be. There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors, management, subsidiary or relatives except for those disclosed in the financial statements for the year ended March 31, 2019.

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, the Nomination and Remuneration (HR) Committee determines and recommends to the Company's Board the remuneration payable to Executive and Non-Executive Directors and thereafter, the Board and shareholders consider the same for approval. During the year under review, no ESOPs were granted to the Directors. The details of remuneration paid to the Executive Directors of the Company are given in Table below:

Table 3: Remuneration paid to Executive Directors in FY 2018-19

(Amount in ₹ million)

Name of Director/Remuneration Details	Mr. S. B. (Ravi) Pandit	Mr. Kishor Patil	Mr. Sachin Tikekar
	Chairman	CEO & Managing Director	Whole-time Director
Salary	2.75	2.72	2.91
PF	0.34	0.34	0.11
Leave Encashment	0.31	0.30	0.10
Variable Performance Incentive	-	-	-
Perquisites	-	0.10	-
Bonus	-	-	-
Total	**3.40**	**3.46**	**3.12**

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 be up to 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 ₹ 5.6 million (previous year ₹ Nil 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 Commission. The details of remuneration to the Non-Executive Directors for the financial year 2018-19 are given in Table 4. (*The Non-Executive Directors have been appointed with effect from January 16, 2019)

Table 4: Remuneration to Non-Executive Directors

(Amount in ₹ million)

Name of Director	Commission	Sitting fees
Mr. Anant Talaulicar [Chairman - Audit Committee and Corporate Social Responsibility Committee]	1.03	0.015
Mr. B V R Subbu [Chairman – Stakeholder Relationship Committee]	1.74	0.015
Ms. Shubhalakshmi Panse [Chairperson - Nomination & Remuneration (HR) Committee]	0.38	0.015
Prof. Alberto Sangiovanni Vincentelli	1.01	Nil
Dr. Klaus Blickle	0.65	Nil
Mr. Nickhil Jakatdar	0.43	Nil
Mr. Rohit Saboo	0.38	0.015
TOTAL	**5.62**	**0.06**

Basis for remuneration paid to Non-Executive Directors

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 ₹ 5.62 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

A consolidated report on compliance with applicable laws on PAN India basis is presented to the Board. The Company is constantly striving to strengthen the reporting system to take care of the continuously evolving compliance scenario. The Company is in process of installing 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.

F. Reconciliation of Share Capital

As stipulated in notification no. G.S.R. 853(E) dated 10th September 2018 of Ministry of Corporate Affairs (MCA) issued under of Companies (Prospectus and allotment of securities) 3rd Amendment Rules, 2018, 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. This reconciliation is carried for the half year ended March 31, 2019 and the same was filled with the Registrar of Companies, Pune. The Audit, inter-alia, confirms that the total 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. Accordingly, Mr. S. B. (Ravi) Pandit retires at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board has recommended his re-appointment.

During the year, Mr. Anant Talaulicar, Mr. B V R Subbu, Prof. Alberto Vincentelli, Mr. Nickhil Jakatdar and Ms. Shubhalakshmi Panse were appointed as an Additional and Independent Director with effect from January 16, 2019 subject to the approval of the shareholders in the ensuing Annual General Meeting. Mr. Rohit Saboo, nominee of National Engineering Industries Limited has been appointed as an Additional and Nominee Director of the Company with effect from January 16, 2019, subject to the approval of the shareholders in the ensuing Annual General Meeting. Mr. Kishor Patil and Mr. Sachin Tikekar are proposed to be appointed as CEO & Managing Director and Whole-time Director respectively with effect from January 16, 2019 for a period of five years. Further, Mr. S. B. (Ravi) Pandit is proposed to be appointed as a Chairman and Executive Director (Whole-time Director) of the Company with effect from January 16, 2019 for a period ending on March 28, 2020 and thereafter as a Chairman & Non-Executive Director of the Company. Detailed resume of Mr. S. B. (Ravi) Pandit, Mr. Kishor Patil, Mr. Sachin Tikekar, Mr. Anant Talaulicar, Mr. B V R Subbu, Prof. Alberto Vincentelli, Mr. Nickhil Jakatdar, Ms. Shubhalakshmi Panse and Mr. Rohit Saboo are provided in 'Additional Shareholders Information' section in this Annual Report.

ii) Communication to shareholders

The Company's quarter and year-end financial results as on March 31, 2019, investor updates and other investor related information are posted on the Company's website (www.kpit.com). The financial results relating to quarter and year end March 31, 2019 of the Company were published in Financial Express and Loksatta.

The details of correspondence received from the shareholders / investors during the period January 29, 2019 to March 31, 2019, are given in the 'Additional Shareholder Information' section in this Annual Report.

iii) General body meetings

Table 5: Details in respect of the last Annual General Meeting (AGM) of the Company

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
August 29, 2018 (2017-18)	35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune - 411057	9.30 A.M.	To borrow funds under Section 180(1) (c)

iv) During the year, the Company convened an Extra-Ordinary General Meeting of the equity shareholders of the Company as per the Directions of National Company Law Tribunal, Mumbai Bench on August 29, 2018, where the Composite Scheme of Arrangement amongst Birlasoft (India) Limited, KPIT Technologies Limited, KPIT Engineering Limited and its respective shareholders was approved by a requisite majority.

v) Special Resolution through Postal Ballot

During the year, the Company has not passed any special resolution through postal ballot.

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

vii) There are no relationships between the Directors of the Company, inter-se.

H. Dividend Distribution Policy

The Company has formulated Dividend Policy to state the guiding principles of dividend declaration by the Company and the same has been uploaded on the website of the Company (https://www.kpit.com/investors/#policies-reports-filings).

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 ON CORPORATE GOVERNANCE

Since the Company is listed on BSE Limited and National Stock Exchange of India Limited on April 22, 2019, to obtain the certificate in respect of compliance with the provisions concerning Corporate Governance, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable for the year under review.

VII. COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements of the SEBI (LODR) Regulations, 2015 after listing of shares on BSE Limited and National Stock Exchange of India Limited on April 22, 2019

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

1. The Company has appointed different persons for the post of Chairman and Managing Director/Chief Executive Officer.

2. Post listing of shares of the Company on BSE Limited and National Stock Exchange of India Limited, the Company has prepared quarterly investor updates which covered 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. Post listing of shares of the Company on BSE Limited and National Stock Exchange of India Limited, the Internal Auditor has presented the internal audit report to the Audit Committee.

Training of Board members

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

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 4 Secretarial Standards have been made mandatory as per the provisions of the Companies Act, 2013. The Company adheres by these standards.

Code of conduct

The Company is listed on BSE Limited and National Stock Exchange of India Limited on April 22, 2019. The Company has adopted a Code of Conduct for its Board members, senior management and all employees and this Code has been uploaded on the Company's website. The declaration of the CEO & Managing Director affirming compliance with the Code on an annual basis is not applicable for the year under review.

Pune
May 15, 2019

Kishor Patil
CEO & Managing Director

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

We, **Kishor Patil, CEO & Managing Director and Vinit Teredesai, Chief Financial Officer** of KPIT Technologies Limited, (Formerly KPIT Engineering 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 Company 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, 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

   (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.

Pune	**Kishor Patil**	**Vinit Teredesai**
May 15, 2019	CEO & Managing Director	Chief Financial Officer

Certificate of Non-Disqualification of Directors

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KPIT Technologies Limited (Formerly known as KPIT Engineering Limited) (CIN-U74999PN2018PLC174192) and having registered office at Plot No 17, Rajiv Gandhi Infotech Park, MIDC SEZ, Phase-III, Maan, Taluka- Mulshi, Hinjawadi, Pune, 411057, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Mr. S. B. (Ravi) Pandit	00075861	08 January 2018
2.	Mr. Kishor Parshuram Patil	00076190	08 January 2018
3.	Mr. Sachin D. Tikekar	02918460	08 January 2018
4.	Mr. Anant Jaivant Talaulicar	00031051	16 January 2019
5.	Mr. Subbu Venkata Rama Behara	00289721	16 January 2019
6.	Ms. Shubhalakshmi Aamod Panse	02599310	16 January 2019
7.	Mr. Nickhil Harshavardhan Jakatdar	05139034	16 January 2019
8.	Prof. Alberto Luigi Sangiovanni Vincentelli	05260121	16 January 2019
9.	Mr. Rohit Saboo	00086846	16 January 2019

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune
Date: 15 May 2019

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

Additional Shareholder Information

1.	**Registered and Corporate Office**	:	Plot 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057. Tel. No.: +91-20-6770 6000 Website: www.kpit.com.
2.	**Date of Incorporation**	:	January 8, 2018
3.	**Registration No./CIN**	:	U74999PN2018PLC174192
4.	**Date, Time and Venue of 2nd AGM**	:	August 28, 2019, 10.30 a.m. at “Vivanta Pune”, Xion Complex, Hinjawadi Road, Hinjawadi, Pune 411057. The Notice of the Annual General Meeting is being sent to the Members along with this Annual Report.
5.	**Record Date**	:	August 21, 2019
6.	**Dividend Payment Date**	:	After August 28, 2019, but within the statutory time limit of 30 days, subject to shareholders’ approval.
7.	**Financial Year**	:	April 01, 2018 - March 31, 2019.
8.	**Financial Calendar for 2019-2020 (tentative and subject to change)**		
	Financial reporting for the first quarter ending June 30, 2019	:	July 26, 2019
	Financial reporting for the second quarter ending September 30, 2019	:	October 23, 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: (w.e.f April 22, 2019)**		
	National Stock Exchange of India Limited	:	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. **NSE Code : KPITTECH**
	BSE Limited	:	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. **BSE Code: 542651**
	ISIN Number of the Company	:	**INE04I401011**

The Company has paid the Annual Listing Fee for the Financial Year 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:

Karvy Fintech Private Limited (Formerly known as KCPL Advisory Services P Ltd.), Contact Person: Mr. S V Raju, Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Phone: +91-40-6716 2222, E-mail: einward.ris@karvy.com; Webisite: www.karvyfintech.com. You can also contact Ms. Nida Deshpande, Company Secretary and Compliance Officer, No.: +91-20-6770 6000 Extn. – 6967, E-mail: Nida.Deshpande@kpit.com, in case you need any further assistance. For any kind of grievance and for their speedy redressal, the shareholders may send their grievances to grievances@kpit.com.

11. Share transfer system:

The share transfer activities are carried out by our Registrar & Share Transfer Agent, the details of which are given above. The documents are received at their office in Hyderabad. The share transfers are carried out within a period of fifteen days from the date of receipt of request for transfer, provided, all the documents received are in order.

12. Dematerialization of shares and liquidity:

As on March 31, 2019, 99.66% 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:

During the year under review, the entire pre-demerger share capital of the Company was cancelled, extinguished and annulled in terms of Clause 25 of the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") and KPIT Engineering Limited ("Company or Resulting Company") (renamed as KPIT Technologies Limited) and their respective shareholders. Further, pursuant to the said Scheme, the Company allotted 274,143,808 Equity Shares of ` 10/- each in the ratio of 1:1 on January 29, 2019 and thus, the issued, subscribed and paid-up capital of the Company as on March 31, 2019 is ₹ 2,741,438,080 consisting of 274,143,808 equity shares of ₹ 10/- each.

14. Shareholding Pattern as on March 31, 2019:

Category	No. of shares held	% of total share capital
Promoters	**84,80,430**	**3.09**
Promoter Companies	**105,558,166**	**38.51**
Public	**154,463,839**	**56.34**
Mutual Funds	5,757,458	2.10
Foreign Institutional Investors	1,295,543	0.47
Foreign Portfolio Investors	91,026,275	33.20
Bodies Corporate	9,570,966	3.49
Non-Resident Indian	3,624,234	1.32
Others	43,189,363	15.75
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	72,956,796	26.61	Promoter
2	Proficient Finstock LLP	27,130,949	9.90	Promoter
3	Central India Industries Limited	5,169,511	1.89	Promoter
4	Bengal Finance & Investment Private Limited	5,000,000	1.82	Other Bodies Corporate
5	New Horizon Opportunities Master Fund	4,999,000	1.82	Foreign Portfolio Investor (Corporate)
6	Acacia Partners, LP	4,800,000	1.75	Foreign Portfolio Investor (Corporate)
7	Acacia Institutional Partners, LP	4,597,575	1.68	Foreign Portfolio Investor (Corporate)
8	Ashish Kacholia	4,269,579	1.56	Public
9	Government Pension Fund Global	3,842,196	1.40	Foreign Portfolio Investor (Corporate)
10	Acacia Conservation Fund LP	3,430,056	1.25	Foreign Portfolio Investor (Corporate)
TOTAL		**136,195,662**	**49.68**	

16. Distribution Schedule as on March 31, 2019:

Quantity of Shares	Shareholders		Face Value of shares held (₹)	%
From – To	Number	%		
1 - 5,000	50,380	85.29	54,373,340	1.98
5001 – 10,000	3,378	5.72	27,071,000	1.00
10,001 - 20,000	2,638	4.47	40,133,770	1.46
20,001 – 30,000	829	1.40	20,529,240	0.75
30,001 – 40,000	379	0.64	13,636,200	0.50
40,001 – 50,000	313	0.53	14,371,560	0.52
50,001 – 1,00,000	478	0.81	35,748,870	1.30
1,00,001 & above	674	1.14	2,535,574,100	92.49
TOTAL	**59,069**	**100.00**	**2,741,438,080**	**100.00**

17. Details of correspondence received from the Shareholders / Investors during the period from January 29, 2019# to March 31, 2019:

Sr. No.	Nature of request / complaints	No. of pending requests / complaints as on January 29, 2019#	No. of requests/ complaints received	No. of requests/ complaints processed	No. of pending requests/ complaints as on March 31, 2019
1	Clarification regarding shares	Nil	126	126	Nil
2	Correspondence/Query relating to NSDL operations	Nil	3	3	Nil
3	Non-receipt of Annual Report	Nil	1	1	Nil
4	Non-receipt of securities	Nil	25	25	Nil
5	Non-receipt of securities after transfer	Nil	1	1	Nil
	Total	**Nil**	**156**	**156**	**Nil**

Please refer point no. 13 in this section.

18. 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.

19. Board members' profiles:

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

Co-Founder, Chairman & Whole-Time Director

Mr. S. B. (Ravi) Pandit is a Co-founder, Chairman and Group CEO of KPIT Technologies Limited. His vision as the founder of KPIT has steered the Company toward achieving leadership position as product engineering and IT consulting solutions and services provider, to three industries namely automotive & transportation, manufacturing and energy & utilities. He has been instrumental in shaping KPIT's vertical focus strategy and building a unique partnership model based on the tenets of innovation and sustainable development. Mr. Pandit holds a master's degree in Management from Sloan School of Management, MIT, Cambridge, USA. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants of India. He was the President of the Mahratta Chamber of Commerce, Industries and Agriculture during 2004-2006. He has been awarded the Rotary Excellence Award for exemplary leadership and outstanding performance and honored with the Maharashtra Corporate Excellence (MAXELL) Awards for Excellence in Entrepreneurship and for his contribution to the economic and industrial development of Pune City.

Co-Founder, CEO & Managing Director

Mr. Kishor Patil is a Co-founder, CEO & Managing Director of KPIT. He guides overall management of the Company and is responsible for customer delivery units and support functions and ensuring efficient and effective functioning of the organization as a whole. He has a particular focus and vision for growing products and platforms. Under his leadership, KPIT has filed more than 60 patents, has developed over 100 IPs in cutting-edge technologies in its focus areas, and has won several national and international awards including the Wall Street Journal Technology Innovation Award and Knowledge@Wharton Technovation Award. Mr. Patil is a member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants of India. In 2014, Mr. Patil was honored with the CA Business Leader Award - Corporate award, by the Institute of Chartered Accountants of India. For his excellence in entrepreneurship, he was honored with the Maharashtra

Corporate Excellence (MAXELL) Awards 2014. In 2013, Mr. Patil was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program, recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine and awarded the 2013 Rotary Excellence Award. He is a prolific speaker and has presented at various national and international forums including the World Economic Forum (WEF), on topics such as entrepreneurship, innovation, building high performance organizations and business transformation.

Whole - time Director

Mr. Sachin Tikekar is a Co-founder and President of KPIT Technologies Limited. Having been with the Company since the beginning, he has provided leadership and guidance in many different areas of the Company. In his current role, Mr. Sachin Tikekar is the Executive Sponsor responsible for driving sustainable business growth across all of Asia and he leads our initiatives to launch innovative products and platforms. In both roles, he is intrinsically involved in managing and growing strategic relationships with key customers and partners. He holds a Masters' degree in Strategic Management and International Finance from Temple University's Fox School of Business and Management, Pennsylvania. He is also on board of Nostrum High Performance, Inc. Mr. Tikekar is a member of the World Wildlife Federation and pursues his fascination with wildlife, nature and adventure through travelling.

Non-Executive and Independent Directors

Prof. Alberto Sangiovanni Vincentelli was a Co-founder of Cadence and Synopsys, two leading companies in the area of Electronic Design Automation. He is the Chief Technology Adviser of Cadence. Prof. Alberto is a member of the Board of Directors of Cadence and chairs its Technology Committee. He was a member of the HP Strategic Technology Advisory Board. He is currently a member of the Science and Technology Advisory Board of General Motors as well as a member of the Technology Advisory Council of United Technologies Corporation. He is also a Professor in University of California, Berkeley and Department of Electrical Engineering & Computer Sciences.

Mr. Anant Talaulicar holds a bachelor's degree in Mechanical Engineering from Mysore University, a master's degree from the University of Michigan in Ann Arbor and a MBA degree from Tulane University, USA. He was the Chairman and Managing Director of the Cummins Group in India from March 2004 through October 2017, was a member of the Cummins Inc. global leadership team from August 2009 till October 2017 and the President of the Cummins Inc. Components Group from 2010 through 2014. He has also served as the Managing Director of Tata Cummins Private Limited, a 50:50 joint venture between Cummins Inc. and Tata Motors Limited. He has chaired the boards of four other Cummins legal entities in India as well. He worked as a financial analyst, manufacturing engineer, project manager, product manager, strategy manager before taking various general management positions. Since 2004, he has also led the Cummins India Foundation which has implemented sustainable community initiatives such as model villages and higher education. He has served as a member of the Confederation of Indian Industries, Society of Indian Automobile Manufacturers and Automobile Components Manufacturers Association in the past.

Mr. B V R Subbu is an automotive industry expert and a thought leader. He holds a post graduate degree in Economics from Jawaharlal Nehru University and a post graduate diploma from the Indian Institute of Foreign Trade. He was the President of Hyundai India. He was also extensively involved with the Tata Group holding various responsibilities, including responsibilities in Tata Motors' Light Commercial Vehicles and Multi Utility Vehicles business.

Mr. Nickhil Jakatdar is currently the CEO and Co-founder of Vuclip, a global leader in the Video-on-Demand space. Previously, he founded and ran various startups, such as Timbre Technologies (acquired by Tokyo Electron), Command CAD (acquired by Cadence Design Systems) and Praesagus (acquired by Cadence Design Systems). He is also the founding member of the Bhau Institute of Innovation, Entrepreneurship and Leadership in Pune and is an investor and advisor to Campfire Labs (acquired by Groupon), flutter.io (acquired by Google), Bash Gaming (acquired by GSN), Shoptimize, PayActiv, Viewics (acquired by Roche), Jombay, Mezi (acquired by American Express) and Blend, among others. He has been the recipient of many awards from various organizations, including the Lifetime Achievement Award from College of Engineering, Pune, the Institute of Electrical and Electronics Engineers (IEEE) Best Paper Award in Transactions on Semiconductor Manufacturing and the Berkeley Distinguished Pioneer Award. He has to his credit more than 20 conference papers and more than 60 issued patents. He holds a bachelor's degree in Electrical Engineering from the College of Engineering, Pune and a master's degree of Ph.D. in Electrical Engineering and Computer Science from the University of California, Berkeley in 2000.

Ms. Shubhalakshmi Panse holds a M.Sc. degree from Pune University, D.B.M. (Diploma in Business Management), M.M.S. (master's in management sciences with specialization in Financial Management), Pune University and M.B.A. (master's in business administration with specialization in Bank Management) Drexel University, USA and C.A.I.I.B (Certified Associate of Indian Institute of Bankers). She was appointed as Chairman & Managing Director, Allahabad Bank on 1st October 2012 and superannuated on 31st January 2014. Prior to this appointment, she was the Executive Director of Vijaya Bank for 34 months. Ms. Panse was also the Chairman of ALLBANK Finance Ltd, a subsidiary of the Bank and Director on the Board of Universal Sompo Insurance company, a joint venture company of Allahabad Bank, Indian Overseas Bank, Karnataka Bank, Sompo of Japan and Dabar Company. She was the General Manager in Bank of Maharashtra and has shouldered the responsibility in almost all key segments of Banking, in various capacities – at Branches, Zonal Office and at Corporate Office.

Mr. Rohit Saboo is an Engineer and MBA from USA and is also a graduate from the Columbia Senior Executive Program. He joined the CK Birla Group after a short entrepreneurial stint. He was the Executive Assistant to the Chairman where he supported the transformation exercise of the Group. He took over as the youngest CEO of NEI in 2008 and led it to become the only bearing company in the world to achieve the Deming Grand Prize. With his extensive successful experience in manufacturing, he has transformed the R&D of NEI and also led NEI to become the largest manufacturer and also the largest exporter of bearings in the country. Mr. Saboo received the Ashoka award for contributions towards quality movement in the industry. He was the Chairman of CII Rajasthan and has represented many government and association delegations abroad.

R&D Activities

The Chief Technology Office (CTO) functions to enable innovation, technology, research and development at KPIT. The CTO drives the R&D activities at KPIT.

R&D for Customers:

❖ **Trace2Fix (formerly known as K-GRIP)**

K-GRIP is a tool developed for automotive diagnostics

Challenges in Automotive Diagnostics:

- Individual Warranty Claims of large US Automotive OEMS > 1 billion US$ per year
- No Trouble Found (NTF) is the biggest contributor to Warranty Claims
- >50% of Warranty cost is due to electrical/ electronics components.

Note: NTF is used when a returned product from the field (which is assumed to be the problem component) is found to meet functional and dimensional requirements as per standard validation tests.

Highlights of our solution:

- Uses Network Based Vehicle Diagnostic model and Diagnostic Trouble Codes (TCs)
- Onboard diagnostic parameter ids (PID) used for optimizing test.
- Multifold improvement in time, cost and accuracy of diagnostics
- Dynamic & simultaneous reasoning using specific evidences

Advantages:

- Reduced Warranty Cost
- Feedback loop for Model Improvement
- Centralized diagnostic repository
- Accurate logging of test and repair data
- Accurate & Quick Diagnostic
- Reduced dependence on expert
- Reduced NTF scenarios

About our first customer win

- Solution successfully used for powertrain system diagnostics for a global automotive OEM
- Solution deployed across multiple OEM dealerships.

❖ **KPIT Integrated Test Environment (KITE)**

This is a cloud based automated testing platform for improving test automation, reducing manual testing effort, thus improving test productivity as well as quality. This is a technology agnostic framework. Various software projects within KPIT are being benefited by this tool. We have used the tool across 7 programs. In last 3 months, KITE has improved the productivity of testcase authoring by 300% per person per day.

Novelty :

- Connected vehicle integrated end-to-end testing using plugins for cloud, desktop, web, embedded devices
- Virtual automated testing ecosystem for IT, Engineering
- Integrated application tracking and testing such as connectivity testing
- Asynchronous testing to simulate field conditions
- Distributed remote testing to optimize hardware test benches
- Pluggable architecture to host plugins for CAN, Robot, Camera etc.
- Unattended automated testing mode using runtime impact analysis of failures
- Alexa integration for voice activated test initiation and status updates

Technology Development & Research Projects.

❖ **Artificial Intelligence in Autonomous Driving Technology**

Purpose:

- Explore use of Deep learning for Traffic classification

- Explore gaming environment for synthetic data generation

Approach:

- Optimized Deep Learning Architectures like SSD, MobileNets, ResNets on frameworks like Tensorflow, Keras for Computer Vision in Automotive environment.
- Designed and developed highly accurate Deep Learning Regression architectures using LSTMs, GRUs, RNNs for break prediction harnessing the ultrasonic and speed sensors.
- Explored various gaming environments for synthetic data generation and scenario creation for verification and validation of autonomous driving features.

Fostering Innovation

❖ **Domain wise breakup of all patents filed**

Automotive (ADAS) – 14

Automotive (Hybrid) – 8

Fuel Cell - 5

Autonomous Vehicle – 3

Others (Energy, BMS, Infotainment, EV, Autosar, Diagnostics, Mechatronics, Chassis, Manufacturing, Medical)- 15

Total patents filed in FY 2018-2019 is 14 (7-Complete Specs, 7-Provisional)

Total No. of patents granted in FY 2018-2019 is 9.

Patent Description (Filed):

Patent title	Application Type	Description
System and Method for Detection of Free Parking Space for A Vehicle	Complete specification	A detection system implemented in a vehicle to detect free parking space is disclosed. The system consists an input unit for imaging perspective view around the vehicle and a processing unit to receive a sequence of images from the image sensor and detect a polygon pertaining to a parking slot in an image of the sequence of images, transform the image into a bird's-eye-view image using a homography matrix, detect the quadrilateral pertaining to a parking slot, transform the bird's-eye-view image comprising the quadrilateral into corresponding image pertaining to perspective view around the vehicle using an inverse homography matrix, to analyse real world co-ordinates of the parking slot, and determine type of the parking slot by computing real world dimensions based on analysis of the real world co-ordinates of the parking slot.
System and Method for Detecting A Vehicle in Night Time	Complete specification	The present invention discloses a system implemented in a host vehicle comprising a processing unit to receive radar data, pertaining to a target vehicle, detected by a radar sensor; map the received radar data in an image received from an image sensor to obtain a radar map point in said image. The radar map point is obtained by compensating an offset error pertaining to height of the target vehicle; detect position of the target vehicle, in the image received from the imaging sensor, by processing the received image; determine an association between the radar map point and detected position of the target vehicle in the image by detecting a search region in the image; and confirm the obtained radar map point as the position of the target vehicle in the image based on computation of a threshold value.

Patent title	Application Type	Description
System and Method for Traffic Sign Recognition	Complete specification	A traffic sign recognition system implemented in a vehicle receives one or more image frames from an image sensor and defines a Region of Interest (ROI) for each image frame. Each ROI is resized to a first resolution image and a second resolution image. A circular object is detected in the ROI of each image frame based on determination of points of symmetry by analyzing gradient values of respective pixels of a horizontal edge image and a vertical edge image, the horizontal edge image and the vertical edge image being obtained from each of the first resolution image and the second resolution image; and detects at least one speed limit traffic sign based on the detected circular object using one or more classifiers using a Convolutional Neural Network (CNN).
A System for Grid-Based Merge Cut-In Prediction and Method Thereof	Complete specification	A prediction system implemented in a host vehicle to predict a merge cut-in for an autonomous vehicle. The system consists an input unit for capturing neighboring information of the host vehicle, and a processing unit to receive the captured neighboring information and generate a grid map by determining shape and dimensions of a grid, estimate trajectory of each target vehicle of the one or more target vehicles, based on driver behavior model of each target vehicle, to determine optimized path of each target vehicle, and generate a global maneuver model by analyzing motion of each neighboring target vehicle, wherein on generation of the global maneuver model a merge cut-in threat for the host vehicle is computed by performing centralized risk management and utilizing the predicted trajectory of the one or more target vehicles.
Perception Sensors Based Fusion System for Vehicle Control and Method Thereof	Complete specification	The present disclosure discloses a system implemented in a host vehicle, comprising: a radar based detection unit, comprising one or more radar sensors, for detecting targets around the host vehicle; a vision based detection unit, comprising one or more image sensors, for detecting targets in the field of view of the host vehicle; and a processing unit to: receive information corresponding to detected targets from each of the radar based detection unit and the vision based detection unit; match each of the targets detected by the radar based detection unit with one or more targets detected by vision based detection unit to identify a target as a matched target; categorize the matched target as a locked target; and track the locked target using information received from the radar based detection unit.
System and Method for Day and Night Time Pedestrian Detection	Complete specification	A pedestrian detection system implemented in a vehicle is disclosed. The system defines a Region of Interest (ROI) for a set of images based on resolution of each image and a region defined in the field of view of the vehicle driver; and determines a scanning window in the ROI of each image. The system extracts Integral Histogram of Oriented Gradients (IHOG) features from each of the scanning window based on a feature vector length of a pre-defined dimension and detects the pedestrian based on the extracted IHOG features from each scanning window using a cascade of two or more classifiers. The cascade of two or more classifiers performs the detection based on ambient light conditions. Further when the pedestrian is detected, the system determines the foot point of the detected pedestrian.

Patent title	Application Type	Description
System and Method for Day and Night Time Vehicle Detection	Complete specification	A vehicle detection system implemented in a host vehicle is disclosed. The system defines a Region of Interest (ROI) for a set of images based on resolution of each image and a region defined in the field of view of the host vehicle; and determines a plurality of scanning windows in the ROI of each image. The system extracts Integral Histogram of Oriented Gradients (IHOG) features from each of the scanning window based on respective feature descriptor of a predefined dimension and detects the vehicle using a cascade of two or more classifiers, which is selected based on categorization of the vehicle into any of a commercial vehicle or a passenger vehicle and performs the detection based on ambient light conditions. Further, in response to the detection, distance of the detected vehicle from the host vehicle is determined.
A Predictive Diagnosis, In-Vivo Monitoring and Surveillance of Implantable Devices	Provisional application	The present invention relates to a system and method for a predictive diagnosis, in-vivo monitoring and surveillance of a patients with the implantable devices by building a virtual clone model of the implant. The virtual real time clone model of the implant is created using result of the diagnostic modalities and implant sensors data. The generated virtual clone model of the implant is then simulated considering surrounding physical parameters as boundary conditions in order to predict the propagation of anomaly, fatigue life of the implant, etc. Based on the result of the simulation and experience of the physician, a corrective action is taken.
Polymer Electrolyte Membrane Fuel Cell Stack	Provisional application	The present disclosure describes a Polymer Electrolyte Membrane Fuel Cell (PEMFC) stack. The fuel cell stack comprises plurality of fuel cells arranged in a stack configuration. Each fuel cell comprises a Membrane Electrode Assembly (MEA) supported by stainless steel baffle plates and held together by four perforated metal pillars. The MEA comprises a cathode gas diffusion layer, an anode gas diffusion layer, at least one meshed current collector placed on either side of cathode gas diffusion layer and anode gas diffusion layer, at least one catalyst coated membrane (CCM) placed on either side of the meshed current collector, an ionomer membrane and a Kapton film. The Membrane Electrode Assembly (MEA) enables protons to penetrate from the anode side to react with oxygen in air at the cathode side, to liberate electrons at the anode side, which traverses through the meshed current collector to external circuit.
A System and Method for An Efficient Traction Control	Provisional application	The present invention relates to the field of electric vehicles. In particular, the present invention relates to an electric motor for an efficient traction control. A system for an efficient traction control comprises: a vehicle electronic control unit (ECU) 101, plurality of vehicle sensors 103, an electric motor 105, a motor controller 107, at least one differential gear box 109, and plurality of wheels 111. A single electric motor 105 is used for the propulsion of EVs instead of multiple motors. Windings of the electric motor 105 are redistributed based on the vehicle operating parameters including, but not limited to, vehicle speed, motor power during acceleration and braking, acceleration, braking and the demand from the driver through plurality of vehicle sensors 103, etc.

Patent title	Application Type	Description
A System and Method for Video Compression	Provisional application	The present invention relates to a system and method for video compression based on relevant information in the video frames and annotation thereof. A system for the video compression comprises: a vision based detection unit comprising one or more image sensors, for collecting the surrounding video data of the vehicle, a processor with a processing unit coupled to a memory, the memory storing the instructions executable by the processing unit to: receive information corresponding to collected surrounding video data of the vehicle; process the received video frames based on the dynamic relevance index of the frame to eliminate the redundant frame thereby, prepare a compressed video of remaining frames after elimination of the redundant frames and an annotation tool for annotating the compressed video frames.
Hydrogen Fuel Cell Stack	Provisional application	The present invention describes a hydrogen fuel cell stack for effective utilization of air and effective current generation. The hydrogen fuel cell stack consists of a number of hydrogen fuel cells arranged in a stack configuration. Each hydrogen fuel cell comprises of an anode bipolar plate, a Membrane Electrode Assembly (MEA) and a cathode bipolar plate. The cathode bipolar plate comprises an array of dome shaped springs to convert a laminar flow of air to a turbulence flow. Each spring of the array of dome shaped springs manages uniform similar pressure over MEA. The MEA enables protons to penetrate from the anode side to react with oxygen in air at the cathode side. The reaction of protons with oxygen liberates electrons at the anode side, and heat and pressure at the cathode side, which is effectively managed by the array of dome shaped springs for effective generation of electric current.
High Performance Sodium-Ion Battery System and Method Thereof	Provisional application	The present invention discloses a sodium-ion battery system and method thereof. The system and method of the sodium ion battery of the present invention provides for a high-power density battery. The sodium ion battery of the present invention comprises of a positive electrode – cathode, a negative electrode – anode, electrolyte with additives and the cathode and anode having a mass balance ratio within a specific range. The system and method of the sodium ion battery of the present invention comprises of a method for pre-treatment of the electrodes. In an embodiment of the present invention the cathode comprises of a NASSICON family member. The anode of the present invention comprises of a carbon metal composite. The electrolytes and additives of the present invention comprise of any of a carbonate based, glyme based, aqueous, ionic liquid, and solid electrolyte.

Patent title	Application Type	Description
Sodium-Ion Battery System and Method Thereof	Provisional application	The present invention discloses a sodium-ion battery system and method thereof. The system and method of the sodium ion battery of the present invention provides for a high-power density battery. The sodium ion battery of the present invention comprises of a positive electrode – cathode, a negative electrode – anode, electrolyte with additives and the cathode and anode having a mass balance ratio within a specific range. The present invention discloses a method for pre-treatment of the electrodes. The cathode comprises of a metal hexacynoferrate coordination compounds/Prussian blue analogues family group member. The anode of the present invention comprises of a carbon metal composite. The electrolytes and additives of the present invention comprise of any of a carbonate based, glyme based, aqueous, ionic liquid, and solid electrolyte.

Patent Description (Granted):

Patent No.	Country of Grant	Patent Title	Description
IN295396	India	A Motor Mounting and Transmission System	A motor mounting and transmission system that is adapted to function with a modular electric power assisting system is discloses. The said system of the present invention is adaptable to a vehicle / engine driven system so as to be operated / powered by electric system and / or its original power system. The motor mounting and transmission system of the present invention is adaptable on the engine of the vehicle / engine driven system without involving substantial changes in the vehicle / engine driven system. It functions synergistically in tandem with the motor cum generator of the vehicle / engine driven system, motor control system and energy storage system of the vehicle / engine driven system so as to exploit advantages of each of the power source based on the operating conditions so as to enhance fuel efficiency, reduce undesirable emissions and provide better drivability.
JP2016-524942	Japan	A Dynamically Adjustable Suspension Device	The present invention discloses a dynamically adjustable suspension device including one or more springs having similar or different spring rates. The springs are arranged in a pre-defined configuration, and a dynamically adjustable damper. The dynamically adjustable damper, includes a rotatable knob to change the damping coefficient dynamically in real-time, means to rotate the knob so as to adjust damping coefficient in real-time while the dynamically adjustable suspension device being used, means to identify compression of the one or more springs by sensing the positions of the springs, between a fully elongated state and a fully compressed state in real-time.

Patent No.	Country of Grant	Patent Title	Description
CO32475	Colombia	Retrofit System for Converting A Vehicle into One of a Hybrid Electric Vehicle (HEV) and Electric Vehicle (EV)	A retrofit system for configuring a vehicle into a hybrid electric vehicle or electric vehicle is provided. The system consists an electric power source (EPS) having one or more motors to provide fail safe torque to the vehicle and harness braking energy for charging one or more batteries, one or more attachable electric power gear assemblies (EPGA) configured to couple the one or more motors to a propeller shaft for providing the torque to the vehicle, and an electronic control unit coupled to the electric power source (EPS) for dynamically controlling functioning of the one or more motors based on the running conditions to drive the vehicle. The motor controller actuates one or more motors based on the torque and power required to drive the vehicle.
KR10-1897836	South Korea	Method of Converting Vehicle into Hybrid Vehicle	A method of converting a vehicle having an internal combustion engine, a transmission, an alternator and a battery into a hybrid vehicle is disclosed. The method comprises installing an electric motor to the vehicle that is configured to assist the internal combustion engine in rotating a crankshaft of the internal combustion engine, installing an energy storage element configured to provide power to the electric motor, installing a motor control unit configured to control the amount of power delivered from the energy storage element to the electric motor and replacing an existing pulley on a crankshaft of the internal combustion engine with a new pulley configured to receive a first belt extending between the new pulley and an alternator pulley and a second belt extending between the new pulley and an electric motor pulley.
US10106066	U.S.	Head Restraint System	The present invention describes a head restraint system for a vehicle. The head restrained system comprises a head restraint cushion connected to headrest rods. The swivel mechanism comprises swivel rods, dampers and springs. The angular movement of the head restraint cushion is controlled by the damper movement on application of load on the head restrained cushion, where the damper movement is based on the amplitude and duration of load being applied on head restrained cushion.

Patent No.	Country of Grant	Patent Title	Description
IN302847	India	Method of Converting Vehicle into Hybrid Vehicle	A method of converting a vehicle having an internal combustion engine, a transmission, an alternator and a battery into a hybrid vehicle is disclosed. The method comprises installing an electric motor to the vehicle that is configured to assist the internal combustion engine in rotating a crankshaft of the internal combustion engine, installing an energy storage element configured to provide power to the electric motor, installing a motor control unit configured to control the amount of power delivered from the energy storage element to the electric motor and replacing an existing pulley on a crankshaft of the internal combustion engine with a new pulley configured to receive a first belt extending between the new pulley and an alternator pulley and a second belt extending between the new pulley and an electric motor pulley.
US 14/904,019	U.S.	A Dynamically Adjustable Suspension Device	The present invention discloses a dynamically adjustable suspension device including one or more springs having similar or different spring rates. The springs are arranged in a pre-defined configuration, and a dynamically adjustable damper. The dynamically adjustable damper, includes a rotatable knob to change the damping coefficient dynamically in real-time, means to rotate the knob so as to adjust damping coefficient in real-time while the dynamically adjustable suspension device being used, means to identify compression of the one or more springs by sensing the positions of the springs, between a fully elongated state and a fully compressed state in real-time.
CN510627	China	Retrofit System for Converting A Vehicle into One of a Hybrid Electric Vehicle (HEV) and Electric Vehicle (EV)	A retrofit system for configuring a vehicle into a hybrid electric vehicle or electric vehicle is provided. The system consists an electric power source (EPS) having one or more motors to provide fail safe torque to the vehicle and harness braking energy for charging one or more batteries, one or more attachable electric power gear assemblies (EPGA) configured to couple the one or more motors to a propeller shaft for providing the torque to the vehicle, and an electronic control unit coupled to the electric power source (EPS) for dynamically controlling functioning of the one or more motors based on the running conditions to drive the vehicle. The motor controller actuates one or more motors based on the torque and power required to drive the vehicle.
KR10-2017-0120149	South Korea	A System and Method for Ambient Light Detection	The present invention discloses a method and system for detecting ambient light. The method comprises capturing one or more images visible by an image capturing device, converting color of each of the captured image into a grey color, determining histogram of each of the grey color captured image, computing average frequency mean value and data mean value of the determined histogram, and comparing the average frequency mean value with a predetermined FM threshold and the data mean value a predetermined DM threshold, for detecting ambient light.

Publications for FY 2018-2019:

#	Paper Title	Conference	Domain
1	Actuator domain architecture: strategy for optimizing weight reduction and CO_2 emission	SAE world Congress 2018	Design optimization-methods and application
2	Suspension health monitoring and failure prognosis through onboard SoC and cloud-based reporting	SAE world Congress 2018	System diagnostics and prognostics
3	Design and implementation of Adaptive Range LIDAR System (ARLS) for autonomous braking assistance at high speeds in automobiles	SAE world Congress 2018	Autonomous systems
4	Simulation test bench of EV power system towards fault analysis	2018 Biennial International Conference on Power and Energy Systems: Towards Sustainable Energy (PESTSE) -IEEE	Electric power system, fault simulation, EV fault analysis
5	Practical approaches for detecting DoS Attacks on CAN network	WCX World Congress Experience	Automotive Cybersecurity
6	Electrochemically Grown Potassium Ferrocyanide Doped Conducting Polymeric Rhodamine b Nanodots Modified Graphite Based Fluorescence Supercapacitors	2018 Second International Conference on Advances in Electronics, Computer and Communications (ICAECC-2018) - IEEE Xplore	Supercapacitors
7	Metal Incorporated Polymeric Nanodots Based Electrode Material for Fluorescent Supercapacitors	Journal of The Electrochemical Society	JES Focus Issue on Ubiquitous Sensors and Systems for IoT
8	Design and trajectory estimation of dynamic motion model	ICACCI 2018 (IEEE Sponsored)	Trajectory estimation, Particle Filter

KPIT Sparkle 2019

KPIT has always believed in fostering innovation and trusts that technologies can better the world. As a part of this initiative, we run KPIT Sparkle every year. In its fifth year now, the theme for KPIT Sparkle 2019 was Energy & Mobility for the future. The Grand Finale of KPIT Sparkle 2019 was attended in large numbers by innovators, technologists and students. It was a spectacle worth watching, as young innovators were crowned for their innovative thinking. The event was held on 23-24 February 2019 at the Pimpri Chinchwad College of Engineering (PCCOE), Akurdi – Pune.

This year the contest attracted participation from 1100 colleges in 26 Indian states, representing an astonishing 22,000+ students through 2000+ projects. Highlights for this year was the increased participation from premier institutes (IITs – 17, NITs – 25). Addition to that, we also got participation from 7 IIMs and 3 NIDs.

Department of Science and Technology (DST), AICTE, NITI Aayog – AIM, Indian Design Council (IDC), National Institute of Design (NID) onboarded as Knowledge Partners for KPIT Sparkle 2019. KPIT plans to take winning and promising Sparkle ideas to the next level for actual application using the Incubation Partners – IIM CIIE, STEP Pune, BHAU Institute Pune, SPPU – CIIL, IITM Incubation cell, GTU Innovation Council.

Top 30 shortlisted teams showcased their prototypes during the finale and won total cash prizes worth ` 16 Lakhs. The two-day grand finale began on 23^{rd} February, 2019 with various technical sessions by experts from technology & academia leaders such as TRIZ Asia Association, Symbiosis Institute of Technology, Raising a Mathematician foundation, IIT Kharagpur and KPIT. The finale concluded on 24^{th} February, 2019 with thorough evaluation of finalists projects by distinguished jury panel headed by Padma Vibhushan Dr. R. A. Mashelkar.

The award ceremony was graced by the presence of Dr. Shekhar Mande, Director General, Council of Scientific and Industrial Research (CSIR) & Padma Bhushan Dr. V. K. Saraswat, Member, NITI Aayog & reputed national as well as international dignitaries.

Winners at KPIT Sparkle 2019:

Team Name	College Name	Project Description	Award Type
Team Aqua	Army Institute of Technology, Pune	Efficient Vertical Axis Water Turbine	Platinum
Team Gravity	Bharath Institute of Higher Education & Research, Chennai	Plant E-Energy	Silver One
Team AutoTrac	College of Engineering, Indore	The Driverless Tractor	Silver Two
Team Drivetrain	Jayawantrao Sawant College of Engineering, Pune	Efficient Drivetrain for electric Vehicles	Most popular project

Community Initiatives at KPIT

Transforming communities through employee engagement

Figure 1: KPIT Volunteers at Koyna - Chandoli Tiger Reserve

'Community Initiatives' has been a firm conviction of our company right since our inception that companies are born out of the countries in which they operate, and they have to contribute to the development of the society. The bond between companies and their societies is therefore very crucial and nourishing to both. The societies are enriched by companies' contributions and companies derive their seeds, water and fertilizers for their societies. This has been a philosophy of KPIT Technologies all along.

KPIT is dedicated towards creation of cleaner, smarter & safer world and 'Community Contribution' is one of the seven core values of KPIT. Considering our abilities and the necessities of the networks that we serve, we have continued working within the following focus areas:

Environment: Making this planet a better place to live in

Education: Transforming lives through science and technology education

Energy: Developing innovate solutions for efficient energy consumption and renewable supply

Employee Engagement: Maximizing impact through responsible volunteering

ENVIRONMENT

Here are a few project categories and projects that we undertook this year.

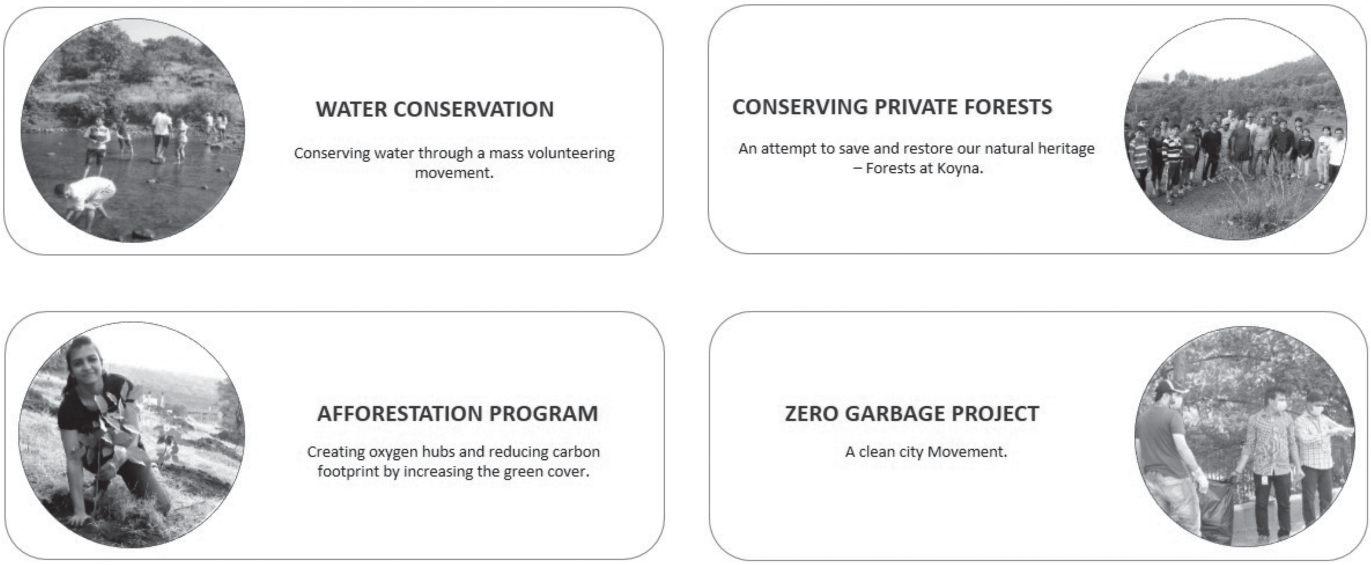

Figure 2: Key projects under Environment focus area

Water Conservation through Mass Volunteering

Six years of water conservation – Over the last couple of years, the water condition in Maharashtra has disintegrated, leading to droughts, and prompting drinking water crisis. The growth of the cities has by implication escalated the issue through profound borewell advancements, prompting expanded extraction of groundwater from wells and surface stockpiles. To direct the reality of the issue and join the present help structure, KPIT took up to three villages, Mangdari, Varoti and Metpilawar in Pune region this year.

Drinking water distribution system in Kamre Khurd Pune District: Reproducing the undertakings from the effective drinking water appointment system venture from Kashedi in 2015-16, KPIT attracted with its accessory NGO, Jnana Prabodhini at Kamre Khurd village. This endeavor is paired with one of our CSR objective of water protection, KPIT volunteers drew an outline of dry season conditions in villages close to Pune. It was seen that Kamre Khurd village falls in water catchment area of Bhatghar dam, but still stands up to serious dry season issue. The main wellspring of savoring water for this town is drying out, consequently making a reliance on the administration supported water tankers.

Being a sparsely populated small village, there are limitations in executing any Government water projects in the village. After various approvals of government authorities and Jnana Prabodhini's water framework proposals, KPIT siphoned water from the backwaters of Bhatghar dam and store it in recently fabricated 150 meters high fero concrete water tank using submersible siphon of 10 Hp with 1500 meters long pipeline.

Figure3: Inauguration Ceremony of Drinking Water Distribution System in Kamre Khurd Village

Drinking water distribution system in Kamre Budruk Pune District:

A water conservation project at Kambre Budruk Village, Pune district, was flagged of by KPIT's chairman, Mr. Ravi Pandit on Sunday, 24th March 2019.

The small village of Kamre Budruk, with scarce population, faced limitations in resolving drinking water issues.

After consultation with local government authorities and Jnana Prabodhini's irrigation experts, KPIT's team took the lead.

This initiative involving pumping water to a height of 150 meters, installing a pipeline and constructing a water tank to store 15,000 litres of water will help families in the village during harsh summers and draughts.

People will no longer have to fetch water from faraway distance and always have access to clean, drinking water.

A unique three-way partnership, KPIT and the villagers contributed with funds and sweat hours in realizing this structure. This initiative was made possible with the guidance of Jnana Prabodhini, KPIT's NGO partner.

Figure 4: Chairman and Group CEO Mr. Ravi Pandit handing over the Project

Soil Dam at Varoti, District Pune:

Construction of check dams enables to conserve water and at the same time help in stoppage of overflow of the water which is observed due to the floods. Such situation prevails at the monsoon and the river tends to overflow due to the heavy rainfall. Thus, we adopted the method of construction of check dams on Velvandi River at Varoti village to support the villagers in order to conserve water. 50+ KPITians volunteered along with volunteers from Jnana Prabhodini, KPIT's NGO partner and villagers.

Figure 5: KPITes shedding sweat at Varoti village

Through its water conservation initiatives, KPIT has managed to support 600 beneficiaries from 3 villages.

Afforestation – Sapling Planting and Plantation Care

The essential backwoods front of our country stays at hardly 3%. The rate at which these forests are being assaulted, leaves our future generation with an unfavorable test for survival. Encroaching for development and ampleness has been empowering the availability of the green gold our country once hugely had. Majorly, the need of the hour is to pull up the socks and be responsible for our future generations. KPIT, as a socially responsible organization, has taken up to the task of restoring private forests, to bring back some semblance in the forested environment. In Maharashtra, the Koyna -Chandoli corridor has been a host of KPIT's afforestation efforts. Following up with previous year's efforts, KPIT inclined its afforestation efforts with the monsoon, ensuring an aggregate plantation of 3500 more saplings with an overall survival rate of 90 percent. Beyond the plantation, KPITians helped in watering the saplings and mulching them to ensure care and proper growth to life.

Zero Garbage Project

In 2013, the Zero Garbage Project was begun for improving the sensibility of people inside the city of Pune. The aim of the initiative to implement end to end solution of garbage issue.

Pune city is having around 30% of slum population where the door to door waste collection (DTDC) is merely 40% and the remaining waste ends up on the streets that become eyesore. The door to door waste collection in slums is always a challenge for Pune Municipal Corporation (PMC) because of poor service and unwillingness of people towards paying user fees. KPIT and our partner NGO Janwani came up with a solution that ensures a modest income for waste collectors to meet the service level standards by closely monitoring of the collection system. This has helped in bringing confidence among slum dwellers and encouraging them to pay user fees on regular basis. Recent efforts in Yerwada (one of the municipal wards) has shown increase in DTDC coverage and segregation from 22% to 90% and 15% to 70% respectively, out of 21,000 properties. Similar model is being implemented in slums of Tadiwala road, Pune Cantonment Board and Laxminagar of Kothrud.

Facilitating Mechanized Street Cleaning

Janwani has partnered with Adar Poonawalla Clean City Initiative (APCCI) which is an environmentally sustainable initiative run by Mr. Adar Poonawalla and Serum Institute of India with an objective of making Pune city clean. Janwani is helping this initiative to plan and coordinate the activities on ground. Over a period of three years Janwani has helped APCCI to increase its productivity through effective route planning, by designing appropriate monitoring system and capacity building of stakeholders, which has enabled the initiative to clean more than 900 garbage spots and 450 km of roads on daily basis with fleet size of around 230 state of the art machines

Figure 6: Sapling maintenance at Koyna

including Glutton, Trilo, Tipper and Road Sweepers. One of the objectives of this program is also to permanently eliminate the garbage chronic spots by connecting the uncovered households to door to door waste collection system. Over 60 such garbage spots have been permanently eliminated under this program. Janwani and KPIT is also creating awareness among school children to inculcate cleanliness habits at young age.

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.

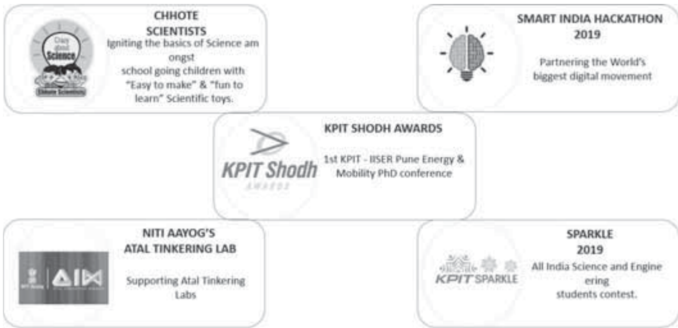

Figure 7: Key projects under Education focus area

Chhote Scientists

Chhote Scientists has been at the front line of KPIT's Educational activities under the CSR umbrella. And effort to bridge the learning gap in classroom and real-life application of science, the impact is mushrooming into a bigger picture.

Figure 8: Chhote Scientists session at Pune

KPIT's *Chhote Scientists* started with Pune and impacted 800 youngsters from 20 schools. Today, this has grown to 12,200 students from 117 schools from 15 cities across India.

In 2018-19, Chhote Scientists has extended to 20 new schools of Mysuru and Tamilnadu catering the program to 500 students. KPIT has cooperated with Talent Quest for India (TQI) and Youth for Seva (YFS) in Mysuru, under the NGO organization model.

Figure 9: Chhote Scientists session at Mysuru

Following up on the tracks of last year's college partnership with Jalna College in Pune; KPIT this year, continued the partnership with NMKRV Girls College and NMIMS, Bengaluru, and brought out the program to nine more schools in Bengaluru. 30 volunteers, through as many sessions, engaged 650 students for an exciting and hands-on Chhote Scientists program. This partnership have not only helped in reaching larger number of schools, but also have brought about evident changes in the young college going aspirants, by developing their leadership and people management qualities.

Figure 10: Chhote Scientists session at NMKRV College

Chhote Scientists, made progress in extending its knowledge of learning & sharing to Hubballi, under the Project titled – 'Lab on Bike', contacting ten schools with Chhote Scientists, yet with down to earth science educational programs utilizing demo models. Through this program 900 students were benefited. Similarly, while 'Lab on Bike' had a committed instructor conveying the sessions to schools in Hubballi, Dharwad.

Figure 11: Lab on bikes session at Hubli

In terms of direct engagement, KPIT's volunteers have taken to 23 schools across three locations of Pune, Mahape and Bengaluru, putting a minimum of four office hours to justified use at government schools, promoting active science-based learning. Cumulatively, 500 volunteers with 950 hours have made Chhote Scientists a valuable prospect for volunteering.

Figure 12: Chhote Scientist's session at Bengaluru

vSolve 2019

vSolve, a Problem-solving competition, turned out to be a stellar event. In Pune, vSolve competition was participated by 384 students from 40 schools this year to solve problem statement related to rope way and water suction pump. This year 20 new schools were appointed by Atal Tinkering Labs (ATL) to join the competition and solve separate challenge. They have to solve the riddle related to different levels of electric circuit.

Figure 13: vSolve 2019 contestants at KPIT Pune with their working models

In Bangalore, Chhote Scientists team organized vSolve for 6 teams from 3 municipal schools and participating teams were asked to build a balloon car and optical maze. Earlier, the children were shortlisted for the competition through a round of selection process through Multiple Choice Questions (MCQ) test.

In Mysuru, Chhote Scientists team hosted 35 finalists from seven schools in a day long engagement apart from the main stage competition. Competition involved a treasure hunt to be solved, to gain the materials for building their respective experiment.

Figure 14: vSolve 2019 contestants at KPIT Bengaluru building balloon car

Figure 15: vSolve 2019 competition in Mysore

Atal Innovation Mission's ATL Labs

In 2019, KPIT proceeded with the Statement of Intent (SOI) signed with NITI Aayog (National Institution for Transforming India), Govt. of India, to help and coach select Atal Tinkering Labs (ATL). ATLs are open-ended workspaces where students can give shape to ideas through hands-on 'do-it-yourself' learning modules and acquire critical skills to innovate with technology.

KPIT in association with our partner NGO, Jnana Prabodhini organized 3 teacher's training workshop in Assam and Maharashtra. We also organized 3 students workshop in Pune and Ahmadabad. Apart from our regular academic support to KPIT adopted 15 schools, we also helped in setting up 4 ATLS in Maharashtra. Because of our yearlong efforts two of our ATLS (VKV Jairampur and Jnana Prabodhini Nigadi) were the top performers in the national level Atal tinkering marathon conducted by Atal Innovation Mission.

Figure 16: ATL session at Dibrugarh, Assam

Figure 17: ATL Workshop by KPIT & Jnana Prabodhini in Amhemdabad

KPIT Sparkle 2019

As a part of this initiative, we run KPIT Sparkle every year. In its fifth year now, the theme for KPIT Sparkle 2019 was Energy & Mobility for the future. The Grand Finale of KPIT Sparkle 2019 was attended in huge numbers by innovators, technologists and public. It was a spectacle worth watching, as young innovators were crowned for their innovative projects. The event was held on 23-24 February 2019 at the Pimpri Chinchwad College of Engineering (PCCOE), Akurdi – Pune.

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The Top 30 shortlisted ideas showcased their prototypes during the finale and won total cash prizes worth INR 16 Lakhs. This two-day grand finale began on 23rd February, 2019 with various technical sessions by experts from technology & academia leaders such as TRIZ Asia Association, Symbiosis Institute of Technology, Raising a Mathematician foundation, IIT Kharagpur and KPIT. The finale concluded on 24th February, 2019 with thorough evaluation of finalist's projects by distinguished jury panel headed by Padma Vibhushan Dr. R. A. Mashelkar. The award ceremony was graced by the presence of Dr. Shekhar Mande, Director General, Council of Scientific and Industrial Research (CSIR) & Padma Bhushan Dr. V. K. Saraswat, Member, NITI Aayog.

Dr. V. K. Saraswat, Member, NITI Aayog.

Mr. Masashige Mizuyama, Automotive CTO, Panasonic corp

Dr. Peter Tropschuh, Vice President, Strategy, Sustainability, Audi AG

Figure 18: Day 1: Eminent speakers endorsing KPIT Sparkle

Figure 19: Day 2: Sparkle 2019-The actual contest

KPIT SHODH 2019

The Grand Finale of KPIT Shodh Awards – 1st IISER Pune KPIT Energy & Mobility PhD conference was attended by researchers, technology evangelists, industry experts and students in large numbers. It was a spectacle worth watching, as young researchers were crowned for their best PhD thesis and posters in the area of energy and mobility. The event was held on 22nd - 23rd March, 2019 at IISER Pune campus.

The contest attracted participation from 22 outstanding young PhD researchers from various premier institutes like IITs, IISERs, and NCL. During the conference, the Top 5 researchers were invited to present their PhD thesis to a Jury of esteemed technologists and scientists and get crowned for "Best Thesis Award" and all participants were invited for the "Poster Awards".

Figure 20: KPIT SHODH Awards

Smart India Hackathon 2019 – World's Biggest Digital Movement

KPIT collaborated with the Ministry of Human Resources and Development (MHRD) in managing the Smart India Hackathon (SIH) 2019, world's biggest open innovation model.

As a part of the association, KPIT was responsible to guarantee smooth execution of the last occasion of the software hackathon at the nodal center in Bhubaneswar. Team of five KPIT volunteers effectively managed the show.

Figure 21: KPIT team at Smart India Hackathon 2019, Bhubaneswar

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 help work, gift drives, volunteering drives or workshops, they all imbue the duty of our responsibility to society's causes.

Figure 22: Key projects under Employee Engagement focus area

Annadaan – Each One Feeds One

Food is the basic requirement for all living beings. KPIT, each year, conducts food collection drive, wherein the workers are asked for to set aside a fist-full of grains each day, for a time of three weeks. Employees from KPIT Pune and Mahape locations participated in amassing 6.5 tons of food grains and groceries for this year, expected to feed nearly 16 foster care homes in draught areas, working for destitute and special children.

Figure 23: Annadaan – Food grains distribution at Thayimane, Bangalore

Awards and Accolades

Federation of Karnataka Chambers of Commerce and Industry (FKCCI) CSR Award Bengaluru: KPIT was recognized for Excellence in Basic Education. KPIT bagged this award for its flagship program of **Chhote Scientists.** In a ceremony attended by dignitaries from the Industry chamber of Karnataka, the award was presented by **Honorable Deputy Chief Minister of Karnataka, Dr. G. Parameshwara.**

The awarding body; **FKCCI** is one of the oldest Chambers in the country established in the year 1916 by **Bharat Ratna** Sir. M. Visvesvaraya, the engineer statesman. The prime objective of this conference-cum-awards event was to acknowledge, motivate and incentivize corporate members for contribution towards social and environmental goals, and look at the CSR mandate as an opportunity to move towards strategic philanthropy, rather than an onerous compliance

During the Youth for Seva CSR Conclave, held in March 2019 KPIT employee **Akshaya B R** and **Raghul** have been felicitated as Employee Volunteer Champions award for their selfless volunteering stint with KPIT and outside.

The CSR Conclave is a platform for leaders from the corporate and development sector, along with CSR experts, policy makers and organizations studying trends and patterns of volunteering. They come together, to not just identify potential projects to contribute funds, but to also devise models to involve employees and inculcate a culture of volunteering. Thereby building a sense of inclusion, promoting sustainability and maximizing impact.

Figure 24: KPIT CSR Team, receiving the Award

Figure 25: Youth for Seva Best Volunteer Award winner – Akshaya B R from KPIT Bangalore

KPIT in Print Media

रविवार पुणे दिनांक

'केपीआयटी'तील तरुणांची श्रमदानातून समाजसेवा

कांबरे बुद्रुक गावामधील नळयोजनेचे आज हस्तांतरण

रविवारची बातमी

कांबरे बुद्रुकला 'नळपाणी'

म. टा. प्रतिनिधी, पुणे

'गावातील पाणीटंचाईवर मात करून पाणीप्रश्न कायमस्वरूपी सोडविण्यासाठी कांबरे बुद्रुकसारख्या छोट्या गावातील ग्रामस्थांचे आपापसांतील सहकार्य कौतुकास्पद आहे,' असे मत केपीआयटी टेक्नॉलॉजीचे अध्यक्ष रवी पंडित यांनी नुकतेच व्यक्त केले.

भोरमधील कांबरे बुद्रुक येथील नळपाणी योजनेच्या उद्घाटनप्रसंगी पंडित बोलत होते. या वेळी प्रमुख पाहुणे म्हणून निर्मला पंडित, अनुप कांबळे, कार्पोरेट सोशल रिस्पॉन्सिबिलिटी विभागाचे प्रमुख तुषार जुवेकर, ज्ञान

भोरमधील कांबरे बुद्रुक येथील नळपाणी योजनेच्या उद्घाटन केपीआयटी टेक्नॉलॉजीचे अध्यक्ष रवी पंडित यांच्या हस्ते करण्यात आले.

हेत,' गावात लोकवर्गणीचे महत्त्व वून आम्ही पन्नास हजार रुपयांची कवर्गणी टप्प्याटप्प्यात गोळा केली पे,' सुकाळे पाटील यांनी सांगितले. पंडित म्हणाले, 'गावांमध्ये सध्या क्त वृद्ध मंडळी राहत असून, तरुण डळी रोजगारासाठी शहरांकडे गेली हेत. या परिस्थितीत बदल करण्यासाठी गाने जाणीवपूर्वक प्रयत्न करण्याची ज आहे. यासाठी फळबाग लागवड, बू लागवड आणि कोकणासारखा गुती पर्यटन व्यवसाय अशा पर्यायांचा आवर्जून विचार केला पाहिजे. यातून गावाची स्वतंत्र ओळख निर्माण करण्याचा प्रयत्न केला पाहिजे.'

'गावात पाणी उपलब्ध झाले तरी ते काटकसरीने वापरले पाहिजे. अन्यथा नळपाणी योजनेची भरमसाठ येणारी बिले ग्रामस्थांना भरणे जड जाईल. नळपाणी योजनेच्या किरकोळ देखभाल दुरुस्तीची जबाबदारी गावाने उचलली पाहिजे,' अशी अपेक्षा देशपांडे यांनी या वेळी व्यक्त केली. विद्या पुरंदरे यांनी जलपूजन केले.

Schools to participate in 'Chote Scientist'

The KPIT and Gynan Prabodhini will organize a contest 'Chote Scientist' on Wednesday and Thursday at KPIT, Hinjewadi. Several schools from the city, Pimpri Chinchwad and Mulshi Taluka will participate in the event, the aim of which is to find technological solutions to local problems.

'छोटे सायंटिस्ट' स्पर्धा आजपासून

प्रतिनिधी, पुणे

केपीआयटी आणि ज्ञान प्रबोधिनी यांच्या संयुक्त विद्यमाने बुधवारी (१३ फेब्रुवारी) आणि गुरुवारी (१४ फेब्रुवारी) छोटे सायंटिस्ट ही स्पर्धा आयोजित करण्यात आली आहे. हिंजवडी फेज ३ मधील केपीआयटी कॅम्पसमध्ये ही स्पर्धा होणार असून स्पर्धेत मावळ-मुळशीमधील २०, पुणे शहरातील १० आणि पिंपरी-चिंचवडमधील ८ अशा ३८ शाळा सहभाही होणार आहेत.

ज्ञान प्रबोधिनीच्या शिक्षण विभागाचे सहकार्यवाह प्रा. विवेक पोंक्षे, केपीआयटीचे सीएसआर प्रमुख तुषार जुवेकर, स्पर्धा समन्वयक प्रकाश रणनवरे यांनी माहिती दिली. यंदा या स्पर्धेचे पा वर्ष आहे. २० शाळा आणि ८०० विद्यार्थ्यांसह सुरू झालेला हा उपक्रम आता १७७ शाळा आणि १५ हजार विद्यार्थ्यांपर्यंत पोहोचला आहे. भारतातील २० शहरांमध्ये हा उपक्रम राबवण्यात येतो.

यंदा वुई सॉल्व्ह या संकल्पनेवर स्पर्धा आधारित असून, त्यात विद्यार्थ्यांना त्यांच्या परिसरातील समस्या देऊन त्यावर उपाय शोधण्याचे आव्हान पेलावे लागेल.

लोकसत्ता Wed, 13 February 2019 https://epaper.loksatta.com/c/

सकाळ

छोटे सायंटिस्ट' स्पर्धा आजपासून

: 'केपीआयटी' आणि 'ज्ञान प्रबोधिनी' यांच्यातर्फे 'छोटे टिस्ट' स्पर्धा १३ आणि १४ फेब्रुवारी रोजी आयोजित केली आहे. प्रबोधिनीच्या शिक्षण विभागाचे सहकार्यवाह प्रा. विवेक पोंक्षे, आयटीच्या कॉर्पोरेट सोशल रिस्पॉन्सिबिलिटी विभागाचे प्रमुख तुषार कर, स्पर्धा समन्वयक प्रकाश रणनवरे यांनी पत्रकाद्वारे ही माहिती दिली.

ळ -मुळशी तालुक्यातील वीस आणि पुणे महानगर क्षेत्रातील १० शाळा, पिंपरी -चिंचवड क्षेत्रातील शाळा अशा ३८ शाळा सहभागी होणार आहेत. १३ रोजी ४० शाळांतील २०० विद्यार्थी स्पर्धेत सहभागी होणार आहेत. १४ रोजी 'अटल टिंकरिंग लॅब'च्या वीस शाळा आणि शंभर विद्यार्थी सहभागी होणार आहेत. 'केपीआयटी' कॅम्पस, हिंजवडी -फेज - ३ येथे ही स्पर्धा होणार आहे. स्पर्धेचे हे पाचवे वर्ष असून, उपक्रमात 'वी -सॉल्व्ह' ही समस्या परिहार स्पर्धा आहे. त्यात विद्यार्थ्यांना त्यांच्या स्थानिक परिसरातील समस्या देऊन त्यावर वैज्ञानिक उत्तर, प्रकल्प शोधण्यास सांगण्यात येणार आहे. विजेत्यांना सन्मानचिन्ह, प्रमाणपत्र, स्कूल बॅग आणि विजयी शाळांना ट्रॉफी देण्यात येणार आहे.

Pune, Main
13/02/2019 Page No. 4

Voice of Volunteers

I had a great experience as a volunteer for CSR activities like Annadaan and Chhote Scientists. As a part of the judging team, I got an opportunity to interact with the innovative students of different schools which helped me to enhance my knowledge. Another moment to cherish is Annadaan, where Jayanth and I interacted with KPITians for the collection of food grains and monetary support, and later we visited an orphanage Thayimane to donate the collected grains and spent qualitative time with the kids. I am looking forward for such opportunities.

- Sneharani Nesarg, KPIT Bangalore

Well!! I can say it has been a joyous volunteering at Annadaan - Food Donation Drive- 2019.I experienced the feeling of harmony and purpose throughout the drive.What an uplifting opportunity to come and help others,you realize how lucky you are.They say “The best way to find yourself is to lose yourself in the service of others” and I could realize this during Annadaan.Overall it was an astonishing experience for me and I am looking forward for such activities.

- Pooja Raikar, KPIT Bangalore

As an IT professionals we are not used to doing manual work in hot sun, it was very different experience doing grass cutting and mulching along with small trek with information about forest provided by Sunil Kale. Doing some Community Initiative apart from what we do for ourselves daily is really awesome to experience. Would like to participate and experience such activities more often. Thank you KPIT for such initiative

- Santosh Sandbhor, KPIT Pune

Voice of Beneficiaries

I own 24 hectares of land in Bopoli Village along with other shareholders. Wildlife Research and Conservation Society (WRCS) and KPIT planted 3300 plants of useful species on our land in 2015. Before that we had cut the trees on our land because of which the land had become barren. After tree plantation this area of land was protected. The planted seedlings have grown well now. The existing trees and plants on this area have also grown well. We will definitely get benefit from plants of Amla, Mango, Jack fruits and Java Plum, which have been planted on our land. WRCS and KPIT also helped our self-help group by training us to make food products and helping in marketing the products.

- Hausabai Bhomkar, R/O Bopoli, Taluka Patan, District Satara

We started the project for conservation of private forests at Koyna with the aim of protecting the biodiversity of Western Ghats. We needed sustained support for the project because such projects have a long gestation period. In 2013 we approached Mr. Ravi Pandit explained the project to him. He immediately understood the value of the project and promised KPIT’s support. His only condition was that we should have a long term vision for the project, which matched well with our concept. Over the years we have developed a strong bond with KPIT, which has been our constant supporter. KPIT’s volunteers have come to our site and contributed to the tree plantation initiative with great enthusiasm. They have watered the plants in the heat of summer and planted seedlings in rainy conditions. Their enthusiasm has inspired us to implement the project with redoubled energy. We are deeply grateful to Mr. Ravi Pandit for reposing faith in us. We sincerely thank the KPIT team including Tushar Juvekar, Kishor Phadtare and Prashant Ranka for working silently behind the scenes to help us in our work and implement the volunteer programme. We also thank Chinmay Pandit for his encouragement to our work.

- Mr. Jayant Kulkarni, Executive Director Wildlife Research and Conservation Society, Pune

Our village was facing acute drinking water shortage especially during summer from last 15 years. I had to walk minimum 5 km to fetch drinking water. Jnana Prabodhini & KPIT brought water to our door step by implementing drinking water distribution systems. It would help me to save lot of time and efforts, I will now able to invest that time to nurture my kids properly.

- Mrs. Sonali Ombale, Kambre khurd, Pune

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of KPIT Technologies Limited (Erstwhile KPIT Engineering 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 (including accounting for the composite scheme of arrangement in accordance with the National Company Law Tribunal order as referred to in Note 41(1) to the standalone financial statements), 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.

Emphasis of matter

We draw attention to Note 38 (2) of the standalone financial statements which describes the uncertainty related to the outcome of the lawsuit undertaken by the Company pursuant to the aforesaid composite scheme of arrangement. Our opinion is not modified in respect of this matter.

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

Accuracy of recognition, measurement and presentation including disclosures of Revenues for Fixed price contracts with customers

See note 21 and 39 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has recognized revenue from fixed price contracts with customers of INR 989.96 million The revenue from fixed price contracts, where, revenue is recognized using the percentage of completion, computed as per the input method based on management's estimate of contract costs (Refer Note 1.2 to the standalone financial statements), is a key audit matter considering: 1. There is an inherent risk around the accuracy of revenues given the customized and complex nature of these contracts. 2. Application of the revenue recognition accounting standard is complex and involves a number of key judgments 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. 3. These contracts may involve onerous obligations on the Company that require critical estimates to be made by management	In view of the significance of the matter we applied the following audit procedures in this area for the Company, among others to obtain sufficient appropriate audit evidence: – Evaluated the Design and implementation of internal controls over estimates for recording of revenue from fixed price contracts including unearned revenue and contract assets. – Tested the system application controls over Information Produced by the Entity for planned costs and actual cost reports. – Performed testing of operating effectiveness of controls implemented by the Management over recognition, measurement and presentation/ disclosure of Revenue from fixed price contracts. On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by– – Inspection of terms of contract, evaluated the revenue recognition is as per the recognition principles in IND AS 115. – Performed a retrospective review of costs incurred to date with estimated costs and contribution till date with recognized till date with the planned contribution – Assessed the appropriateness of work in progress (contract assets) on 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 costs. – Performed test of details to agree the revenue recognized to underlying documents such Purchase order, statement of work, milestone billing and revenue calculations. – Agreed the amounts in disclosures to underlying reports such as sales register and fixed price contract report.

Other Information

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 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 on its financial position in its standalone financial statements. Refer Note 38(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 are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since the Company was incorporated on 08 January 2018.

(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: Pune
Date: 15 May 2019

Annexure A Independent Auditors' Report 31 March 2019

(Referred to in our report of even date on the financial statements)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

(i) In respect of its fixed assets:

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

b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. The title deeds of the immovable properties are in the process of being transferred in the name of the Company under the Scheme of arrangement. (Refer note 41(1) of the standalone financial statements)

(ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and there were no material discrepancies noted during such verification.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured during the year, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to information and explanation given to us, the Company has complied with provisions of Section 186 of the Act with respect to investments made during the year. No loan and guarantees were given during the year other than those transferred to the Company under the Scheme of arrangement (Refer note 41(1) of the standalone financial statements). The Company has not given any loan, guarantee or security covered under Section 185 of the Act during the year.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(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 accounts in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax and any other statutory dues have generally been deposited regularly during the year by the Company to the appropriate authorities except for certain delays in payment of Income tax (tax deducted at source) ranging from 30 to 89 days. As explained to us, the Company did not have any dues on account of sales tax, custom duty, excise duty, value added tax and cess.

According to the information and explanations given to us, no undisputed statutory dues payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax 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 with respect to income tax, sales tax, goods and service tax, value added tax, custom duty, excise duty, which have not been deposited with the appropriate authorities on account of any dispute.

(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 institution and 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 transferred to the Company under the Scheme of arrangement (Refer note 41(1) of the standalone financial statements) have been applied for the purpose for which they were raised. The Company has not raised money by way of further public offer during the year.

(x) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of the audit.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid / provided for managerial remuneration 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence the provisions of clause 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

Annexure B

Annexure B to the Independent Auditors' Report on the standalone financial statements of KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) for the period ended 31 March 2019

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of KPIT Technologies Limited (Erstwhile KPIT Engineering 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: Pune
Date: 15 May 2019

Balance Sheet
as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	2,380.52	-
Capital work-in-progress		1.00	-
Other intangible assets	2B	594.72	-
Intangible assets under development		4.07	-
Financial assets			
Investments	3	3,726.67	-
Loans	4	146.87	-
Income tax assets (net)		0.10	-
Deferred tax assets (net)	5	1.82	-
Other non-current assets	6	30.45	-
		6,886.22	**-**
Current assets			
Inventories	7	9.18	-
Financial assets			
Investments	8	487.06	-
Trade receivables	9	2,192.34	-
Cash and cash equivalents	10	389.93	0.95
Loans	11	112.68	-
Unbilled revenue		336.96	-
Other financial assets	12	1,643.91	-
Other current assets	13	329.21	-
		5,501.27	**0.95**
TOTAL ASSETS		**12,387.49**	**0.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	2,685.02	1.00
Other equity	28	6,549.71	(2.66)
Total equity		**9,234.73**	**(1.66)**

Balance Sheet
as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	370.93	-
Provisions	16	199.84	-
		570.77	**-**
Current liabilities			
Financial liabilities			
Borrowings	17	599.68	-
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		0.42	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		493.87	0.09
Other financial liabilities	18	894.07	2.51
Other current liabilities	19	459.61	0.01
Provisions	20	57.10	-
Income tax liabilities (net)		77.24	-
		2,581.99	**2.61**
TOTAL EQUITY AND LIABILITIES		**12,387.49**	**0.95**

Significant accounting policies	1
Notes referred to above form an integral part of the standalone financial statements	2-41

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Revenue from operations	21 & 39	2,303.00	-
Other income	22	357.75	-
Total income		**2,660.75**	**-**
Expenses			
Cost of materials consumed	23	2.31	-
Employee benefits expense	24	1,040.65	-
Finance costs	25	61.25	-
Depreciation and amortization expense	2	157.74	-
Other expenses	26	483.16	2.66
Total expenses		**1,745.11**	**2.66**
Profit/(loss) before exceptional items and tax		915.64	(2.66)
Exceptional items (Refer Note 41(2))		(101.40)	-
Profit/(loss) before tax		814.24	(2.66)
Tax expense	40		
Current tax		117.87	-
Deferred tax (benefit)/charge		(48.10)	-
Total tax expense		**69.77**	**-**
Profit/(loss) for the period		**744.47**	**(2.66)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(24.51)	-
Income tax on items that will not be reclassified to profit or loss		(11.40)	-
Items that will be reclassified to profit or loss			
Effective portion of gains/(losses) on hedging instruments in cash flow hedges		12.59	-
Income tax on items that will be reclassified to profit or loss		(4.39)	-
Total other comprehensive income		**(27.71)**	**-**
Total comprehensive income for the period		**716.76**	**(2.66)**

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

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Earnings per equity share for continuing operations (face value per share ₹ 10 each)			
Basic	36	11.23	(26.60)
Diluted	36	11.20	(26.60)
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2-41		

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
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CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

(Amount in ₹ million)

	PARTICULARS	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES (Refer note 41(1))**		
	Profit/(loss) for the year	744.47	(2.66)
	Adjustments for:		
	Income tax expense	69.77	-
	(Profit)/loss on sale of fixed assets (net)	(0.67)	-
	Depreciation and amortization expense	157.74	-
	Interest expense	61.25	-
	Interest income	(4.27)	-
	Dividend income	(0.10)	-
	Exceptional items	101.40	-
	Change in fair value of investments	(319.01)	-
	Provision for doubtful debts and advances (net)	17.06	-
	Unrealised foreign exchange loss/(gain)	26.81	-
	Operating Profit/(Loss) before working capital changes	**854.45**	**(2.66)**
	Adjustments for changes in working capital:		
	Trade receivables and unbilled revenue	(74.60)	-
	Inventories	4.67	-
	Other financials assets and other assets	535.84	-
	Trade Payables	(68.11)	0.09
	Other financial liabilities and other liabilities	230.45	2.52
	Cash generated from operations	**1,482.70**	**(0.05)**
	Income taxes paid	(40.63)	-
	Net cash used in operating activities (A)	**1,442.07**	**(0.05)**
B	**CASH FLOW FROM INVESTING ACTIVITIES (Refer note 41(1))**		
	Purchase of property, plant and equipment	(207.47)	-
	Proceeds from sale of property, plant and equipment	7.99	-
	Acquisition of subsidiary	(1,289.58)	-
	Investment in mutual fund	(100.00)	-
	Proceeds from sale of investment in mutual fund	100.00	-
	Interest received	3.09	-
	Dividend received	0.10	-
	Net Cash used in investing activities (B)	**(1,485.87)**	**-**
C	**CASH FLOW FROM FINANCING ACTIVITIES (Refer note 41(1))**		
	Repayment of Long term loan from banks*	(172.93)	-
	Proceeds from issue of Share Capital and application money	-	1.00
	Payment towards shares issue and listing expenses	(33.80)	-
	Proceeds from Working Capital loan*	1,899.61	-
	Repayment of Working Capital loan*	(1,300.00)	-
	Proceeds from / (payments for) shares issued / purchased by Employee Welfare Trust (net)	20.26	-
	Interest and finance charges paid	(63.56)	-
	Net cash from financing activities (C)	**349.58**	**1.00**

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

(Amount in ₹ million)

PARTICULARS	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
D Exchange differences on translation of foreign currency cash and cash equivalents	(2.67)	-
Net Increase / (decrease) in cash and cash equivalents (A + B+ C)	**303.11**	**0.95**
Cash and cash equivalents at close of the year (Refer note 1 below)	389.93	0.95
Cash and cash equivalents at beginning of the year (Refer note 1 below)	0.95	-
Cash and cash equivalents transferred pursuant to scheme of demerger	85.87	-
Cash Surplus / (deficit) for the year	**303.11**	**0.95**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2019:**

Particulars	Long term borrowings (including current portion)	Short term borrowings
Opening balance at the start of the year	-	-
Additions pursuant to the scheme of demerger (Refer note 41(1))	911.52	-
Add: Cash inflow (Proceeds of working capital loans)	-	1,899.61
Less: Cash outflow (Repayment of Loans)	172.93	1,300.00
Add: Non-cash changes (including effects of unrealised foreign exchange)	(14.97)	0.07
Closing balance at the end of the year	723.62	599.68

Note 1:		
Cash and cash equivalents include:		
Cash on hand	0.02	-
Balance with banks		
- In current accounts	389.91	0.95
Total Cash and cash equivalents	**389.93**	**0.95**

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: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

A Equity share capital

	(Amount in ₹ million)
Equity share capital issued during the period	1.00
Balance as at 31 March 2018	**1.00**
Cancellation of shares pursuant to demerger scheme (Refer note 41(1))	(1.00)
Issue of share capital pursuant to demerger scheme (net of shares issued to employee welfare trust ₹ 56.41 million)(Refer note 41(1))	2,685.02
Balance as at 31 March 2019	**2,685.02**

B Other equity

	Reserves & surplus				Items of other comprehensive income	Total
	Capital Reserve	General reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer Note 29)	Effective portion of cash flow hedges (Refer note 27)	
Loss for the period	-	-	(2.66)	-	-	(2.66)
Balance as on 31 March 2018	**-**	**-**	**(2.66)**	**-**	**-**	**(2.66)**
Balance as on 01 April 2018	**-**	**-**	**(2.66)**	**-**	**-**	**(2.66)**
Profit for the period	-	-	744.47	-	-	744.47
Other comprehensive income (net of tax)	-	-	-	(35.91)	8.20	(27.71)
Total comprehensive income for the period	**-**	**-**	**744.47**	**(35.91)**	**8.20**	**716.76**
Others						
Accumulated deficit of employee welfare trust	-	-	(72.23)	-	-	(72.23)
Pursuant to demerger scheme (Refer note 41(1))	2,179.70	34.38	3,762.09	(44.16)	9.75	5,941.76
Share issue and listing expenses	-	-	(33.92)	-	-	(33.92)
Balance as on 31 March 2019	**2,179.70**	**34.38**	**4,397.75**	**(80.07)**	**17.95**	**6,549.71**

Significant accounting policies 1
Notes referred to above form an integral part of the standalone financial statements 2-41

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
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Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

Company Overview

KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("the Company") is a public limited company incorporated on 8 January 2018 under the Companies Act, 2013 and has been listed with effect from April 22, 2019. The Company's registered office is in Pune and it has subsidiaries and joint venture across multiple geographies.

The Company provides Technology solutions in embedded software for the Automobile and Mobility Industry. Refer note 41(1) for details of a Scheme of Demerger during the year.

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 and the provisions of Companies Act, 2013. 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 for share based payments, defined benefit obligations and certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 15 May 2019

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 productivity. 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 (if any).

c. Measurement of defined benefit obligation and key actuarial assumptions

Information about assumptions and estimation uncertainties in respect of defined benefit obligation is included in note 29(2).

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;

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

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 derives revenues primarily from software development and related services and from the sale of licenses and products.

Effective 1 April 2018, the company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method. Company has started its operations effective 1 April 2018, hence there are no comparative numbers. The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange of those goods or services.

Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis.

Revenue on time and material contracts are recognised as the related services are performed and revenue from the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed price contracts where the performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement. Revenue from client training, support and other services arising due to the sale of software products is recognized as the services are performed.

Revenues in excess of invoicing are classified either as contract assets (unbilled revenue) or financial assets (unbilled revenue), while invoicing in excess of revenues are classified as contract liabilities (unearned revenue). Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contracts with customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a “right to use" the license is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably over the period in which the services are rendered. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

The Company accounts for volume and / or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

Revenue from sale of goods is recognised upon actual delivery of goods along with transfer of control and significant risks and rewards to the customers.

Expenses reimbursed by customers during the project execution are recorded as a reduction to associated costs.

The Company presents revenues net of indirect tax in its Statement of Profit and Loss.

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

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

(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 fixed 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	30
Plant and equipment[(1)]	4-5
Office Equipment[(1)]	10
Owned Vehicle[(1)]	5
Furniture and fixtures[(1)]	8

[(1)] For these class of assets, based on internal assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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 and 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

Notes forming part of the standalone financial statements

for the year ended on 31 March 2019

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.

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. 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 Alternate 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.

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.

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 recognised in Other Comprehensive Income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the Statement of Profit and Loss and Other Comprehensive Income.

iii) Treasury Shares

When any entity within the Group (KPIT Technologies Limited (erstwhile KPIT Engineering 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

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

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.

1.19 Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1 April 2019:

Ind AS 116

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 Company will recognise new assets and liabilities for its operating leases of offices, warehouse and factory facilities. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous as described in Note 1.14. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

On transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of evaluating the impact of the above on the Standalone financial statements.

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 have 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)

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

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 does not expect any significant impact of the amendment on its Standalone financial statements.

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 is in the process of evaluating the impact on its Standalone financial statements from this amendment.

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 remeasurement. 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 is in the process of evaluating the impact on its Standalone financial statements from this amendment.

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.

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 has one Joint venture which is accounted for under equity method and hence there is no impact on its Standalone financial statements from this amendment.

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 / joint 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

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 2018	-	-	-	-	-	-	-	-	-
Additions pursuant to scheme of demerger (Refer note 41(1))	405.40	1,035.26	171.39	695.69	148.41	6.70	29.41	341.17	2,833.43
Additions during the period				6.25	1.14		4.30	2.91	14.60
Disposal/retirements/ derecognition	-	1.51	3.55	4.93	4.10	-	-	2.34	16.43
Gross carrying amount as at 31 March 2019	**405.40**	**1,033.75**	**167.84**	**697.01**	**145.45**	**6.70**	**33.71**	**341.74**	**2,831.60**
Accumulated depreciation as at 1 April 2018	-	-	-	-	-	-	-	-	-
Additions pursuant to scheme of demerger (Refer note 41(1))	15.24	0.55	76.39	157.26	51.37	6.64	12.65	71.15	391.25
Depreciation during the period	1.09	8.79	5.65	38.01	4.70	0.06	1.21	9.40	68.91
Disposal/retirements/ derecognition	-	0.55	1.83	3.93	1.69	-	-	1.08	9.08
Accumulated depreciation as at 31 March 2019	**16.33**	**8.79**	**80.21**	**191.34**	**54.38**	**6.70**	**13.86**	**79.47**	**451.08**
Carrying amount as at 31 March 2018	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Carrying amount as at 31 March 2019	**389.07**	**1,024.96**	**87.63**	**505.67**	**91.07**	**-**	**19.85**	**262.27**	**2,380.52**

Notes:

(i) Refer note 15 for details of property, plant and equipment pledged as security for borrowings.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

2B Other intangible assets

	Internally Generated	Other than Internally Generated	Total
	Product Development Cost	Software	
Gross carrying amount as at 1 April 2018	-	-	-
Additions pursuant to scheme of demerger (Refer note 41(1))	835.21	791.96	1,627.17
Additions during the period	-	16.50	16.50
Disposal/retirements/derecognition	0.36	-	0.36
Gross carrying amount as at 31 March 2019	**834.85**	**808.46**	**1,643.31**
Accumulated amortisation as at 1 April 2018	-	-	-
Additions pursuant to scheme of demerger (Refer note 41(1))	421.18	538.97	960.15
Depreciation during the period	45.97	42.86	88.83
Disposal/retirements/derecognition	-	0.39	0.39
Accumulated depreciation as at 31 March 2019	**467.15**	**581.44**	**1,048.59**
Carrying amount as at 31 March 2018	**-**	**-**	**-**
Carrying amount as at 31 March 2019	**367.70**	**227.02**	**594.72**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

3 Investments

(Amount in ₹ million)

	31 March 2019	31 March 2018
Investments (Unquoted)		
Investments in equity instruments of subsidiaries (at cost)		
KPIT Technologies (UK) Limited	947.08	-
A wholly owned subsidiary company incorporated in UK		
10,215,966 (Previous year Nil) Equity shares of £ 1 each fully paid-up.		
Impact Automotive Solutions Limited	1,326.29	-
A wholly owned subsidiary company incorporated in India		
136,750,000 (Previous year Nil) Equity shares of ₹ 10 each fully paid-up.		
KPIT (Shanghai) Software Technology Co. Limited, China	128.84	-
A wholly owned subsidiary company incorporated in China		
14,074,702 (Previous year Nil) Equity shares of RMB 1 each fully paid up		
KPIT Technologies Netherlands B.V.	34.30	-
A wholly owned subsidiary company incorporated in Netherlands		
5,000 (Previous year Nil) Equity shares of Euro 100 each fully paid up		
MicroFuzzy KPIT Technologia LTDA, Brazil	17.48	-
A wholly owned subsidiary company incorporated in Brazil		
999 (Previous year Nil) Equity share of BRL 1 each fully paid up		
KPIT Technologies GK	18.08	-
A wholly owned subsidiary company incorporated in Japan		
KPIT Technologies Holding Inc	1,254.60	-
A wholly owned subsidiary company incorporated in USA		
17,000,000 (Previous year Nil) Shares Common Stock at par value of USD 1 each		
	3,726.67	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

4 Loans

(Unsecured, considered good with no significant increase in credit risk or credit impaired, unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans and advances to related parties (Refer note 34)		
Loan to Director	5.25	-
Loan to Impact Automotive Solutions Limited	102.03	-
Loans and advances to other than related parties		
Security deposits	37.95	-
Loan to employees	1.64	-
	146.87	**-**

Note:

(i) Information about the Company's exposure to credit risk and foreign currency risk is disclosed in note 27.

5 Deferred tax assets (net)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Deferred tax assets		
- Provision for doubtful debts and advances	10.67	-
- Provision for compensated absences	3.24	-
- Provision for gratuity	18.40	-
- Others	1.68	-
- MAT credit entitlement	73.73	-
	107.72	**-**
Deferred tax liabilities		
- Excess of depreciation/amortisation on property, plant and equipment under income-tax law over depreciation/amortisation provided in accounts	95.20	-
- Forward contracts designated as cash flow hedges	9.64	-
- Others	1.06	-
	105.90	**-**
Net deferred tax asset	**1.82**	**-**

6 Other non-current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Capital advances	8.55	-
Advance rentals	13.68	-
Others	8.22	-
	30.45	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

7 Inventories
(Valued at the lower of cost and net realisable value)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Raw materials	6.10	-
Stores and spares	3.08	-
	9.18	**-**

8 Current investments

(Amount in ₹ million)

	31 March 2019	31 March 2018
Investments in equity instruments of other entities measured at fair value through profit or loss (quoted)		
Shares of Birlasoft Limited (erstwhile KPIT Technologies Limited) held by KPIT Employee Welfare Trust	487.06	-
	487.06	**-**

9 Trade receivables
(Unsecured)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Receivables considered good	2,192.34	-
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	46.30	-
	2,238.64	**-**
Less: Allowances for bad and doubtful trade receivables	46.30	-
	2,192.34	**-**

Note:

(i) Trade Receivables from related parties are disclosed in note 34.

(ii) Information about the Company's exposure to credit risk and foreign currency risk is disclosed in note 27.

10 Cash and bank balances

(Amount in ₹ million)

	31 March 2019	31 March 2018
Cash and cash equivalents		
- Cash on hand	0.02	-
Balances with banks		
- In current accounts	389.91	0.95
	389.93	**0.95**

Note:

(i) Information about the Company's exposure to credit risk and foreign currency risk is disclosed in note 27.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

11 Loans

(Unsecured, considered good with no significant increase in credit risk or credit impaired, unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans and advances to related parties (Refer note 34)		
Loan to Director	6.55	-
Loans and advances to other than related parties		
Other loans and advances		
Loan to employees	1.70	-
Security deposits	104.43	-
	112.68	**-**

Note:

(i) Information about the Company's exposure to credit risk and foreign currency risk is disclosed in note 27.

12 Other current financial assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Forward contracts designated as cash flow hedges (Refer Note 27(3))	27.59	-
Receivable from related parties (Refer Note 34)	1,616.32	-
	1,643.91	**-**

Note:

(i) Information about the Company's exposure to credit risk and foreign currency risk is disclosed in note 27.

13 Other current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Advance to suppliers	53.92	-
Employee advances		
Considered good	39.85	-
Considered doubtful	6.55	-
	46.40	**-**
Less: Provision for doubtful advances	6.55	-
	39.85	**-**
Balances with statutory authorities	115.62	-
Advance rentals	4.51	-
Others	115.31	-
	329.21	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

14 Equity share capital

(Amount in ₹ million)

	31 March 2019	31 March 2018
Authorised:		
300,000,000 (Previous year 25,000,000) equity shares of ₹ 10 each.	3,000.00	250.00
	3,000.00	**250.00**
Issued subscribed and fully paid up:		
268,502,435 (Previous year 100,000) equity shares of ₹ 10 each fully paid up	2,685.02	1.00
	2,685.02	**1.00**

14.01 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 ₹ 205.61 million i.e. ₹ 0.75 per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

14.02 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.

14.03 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the period:

(Amount in ₹ million)

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the period	100,000	1.00	100,000	1.00
Add: Issue of share capital pursuant to demerger scheme (Refer note 41(1))	274,143,808	2,741.43	-	-
Less : Shares held by employee welfare trust	5,641,373	56.41	-	-
Less: Cancellation of shares pursuant to demerger scheme (Refer note 41(1))	100,000	1.00	-	-
Outstanding at the end of the period	**268,502,435**	**2,685.02**	**100,000**	**1.00**

14.04 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10. Each shareholder of equity shares is entitled to one vote per share.

14.05 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows

Name of the shareholders	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	72,956,796	26.61%	-	-
Birlasoft Limited (erstwhile KPIT Technologies Limited)	-	-	99,994	99.99%
Proficient Finstock LLP	27,130,949	9.90%	-	-

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

14.06 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.

14.07 Aggregate number of shares issued for consideration other than cash during the period of two years immediately preceding the reporting date:

268,502,435 equity shares of ₹ 10 each have been fully paid up, pursuant to scheme of demerger (Refer note 41(1)).

15 Non-current borrowings

(Amount in ₹ million)

	31 March 2019	31 March 2018
Term loans		
- From banks (Secured)		
External Commercial Borrowing (ECB) (Refer note (i))	344.96	-
Other loan (Refer note (ii) & (iii) below)	9.09	-
- From other than banks (Refer note (iv) below)	16.88	-
	370.93	**-**

Notes:

(i) The ECB loan consists 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 carries interest rate of 6 months LIBOR + 160 basis points. The ECB loan is repayable in eight equal semi-annual installments of USD 2.5 million each, with a moratorium of 1 year, upto March 2021. The principal amount of loan outstanding as at 31 March 2019 is USD 10 million.

(ii) Other term loans from bank are secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 9.25 % p.a. and is repayable in equated monthly installments of ₹ 0.21 million each upto October 2020.

(iii) Other term loans from bank are secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of ₹ 0.15 million each upto July 2025.

(iv) Term loan from other than banks consist of unsecured loan, carrying interest rate of 3% p.a. The loan will be repaid upto October 2028.

(v) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 27.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

16 Long term provisions

(Amount in ₹ million)

	31 March 2019	31 March 2018
Provision for employee benefits		
- Compensated Absences	17.68	-
- Gratuity (Refer note 29(2))	182.00	-
Other provisions		
- Provision for warranty (Refer note 38(1))	0.16	-
	199.84	**-**

17 Current borrowings

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans repayable on demand		
- From banks		
Working capital loans from banks (secured) (Refer note (i) & (ii) below)	599.68	-
	599.68	**-**

Notes:

(i) The above loan includes the loan of USD 6.5 million, 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 1.95% p.a.

(ii) The above loan includes the loan of ₹ 150 million, secured by way of first charge by way of hypothecation of the Company's entire book debts, both present and future, on pari passu basis, carrying an interest rate of 8.55% p.a.

(iii) The unsecured loan from Birlasoft Limited (erstwhile KPIT Technologies Limited), carrying interest upto SBI Marginal Cost Base Lending Rate (MCLR) + 1%, has been repaid in full in March 2019.

(iv) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 27.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

18 Other current financial liabilities

(Amount in ₹ million)

		31 March 2019	31 March 2018
Current maturities of long term debt			
-	from banks (secured)	349.54	-
	(Refer note 15 - Term loan from banks for details of security and repayment terms)		
-	from others	3.06	-
	(Refer note 15 Term loan from other than banks for details of security and repayment terms)		
-	Current maturities of finance lease obligations (Refer note 35(1))	0.09	-
	Payable to Joint Venture (Refer note 34)	0.89	-
	Accrued employee costs	420.64	-
	Payables in respect of fixed assets	69.38	-
	Payable to related parties (Refer note 34)	50.47	2.51
		894.07	**2.51**

Note:

(i) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 27.

19 Other current liabilities

(Amount in ₹ million)

	31 March 2019	31 March 2018
Unearned revenue	366.45	-
Advances from customers	4.91	-
Statutory remittances	88.25	0.01
	459.61	**0.01**

20 Short-term provisions

(Amount in ₹ million)

		31 March 2019	31 March 2018
Provision for employee benefits			
-	Compensated Absences	5.82	-
-	Gratuity (Refer note 29(2))	48.27	-
Other provisions			
-	Provision for warranty (Refer note 38(1))	3.01	-
		57.10	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

21 Revenue from operations (Refer note 39)

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Software services	2,301.79	-
Sale of products		
Finished goods	1.21	-
	2,303.00	**-**

22 Other income

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Interest income	4.27	-
Dividend income from current investments (Refer note i below)	0.10	-
Profit on sale of fixed assets (net)	0.67	-
Gain on investments carried at fair value through profit or loss (Refer note ii below)	319.01	-
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	33.70	-
	357.75	**-**

Notes :

(i) This represents the dividend income from investment during the year in Kotak Liquid Mutual Fund. This Investment is sold during the year.

(ii) This represents the gain on fair valuation of shares in Birlasoft Limited (erstwhile KPIT Technologies Limited), held by KPIT Employee Welfare Trust.

23 Cost of materials consumed

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Inventory of materials at the beginning of the year	-	-
Purchases	8.41	-
Inventory of materials at the end of the year	6.10	-
	2.31	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

24 Employee benefits expense

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Salaries, wages and incentives	993.78	-
Contribution to provident fund (Refer note 29(1))	37.74	-
Staff welfare expenses	9.13	-
	1,040.65	**-**

25 Finance costs

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Interest expense	61.25	-
	61.25	**-**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

26 Other expenses

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Travel and overseas expenses (net)	72.79	-
Transport and conveyance (net)	22.80	-
Cost of professional sub-contracting (net)	63.16	-
Recruitment and training expenses	23.03	-
Power and fuel	17.34	-
Rent (Refer note 35(2))	60.73	-
Repairs and maintenance -		
- plant & equipment	43.89	-
- others	2.95	-
Insurance	13.46	-
Rates & taxes	1.70	2.51
Communication expenses (net)	8.29	-
Legal and professional fees	35.63	0.15
Marketing expenses	13.05	-
Printing & stationery	0.78	-
Foreign exchange loss (net)	34.25	-
Auditors remuneration (net of taxes)		
- Audit fees (Refer Note 2 below)	1.50	-
Provision for doubtful debts and advances (net)	17.06	-
Contributions towards corporate social responsibility (Refer note 41(3))	1.35	-
Miscellaneous expenses	49.40	-
	483.16	**2.66**

Note

1. Certain expenses are net of recoveries/reimbursements from customers.
2. Audit fees exclude ₹ 4 million for audit of financial statements for the purpose of listing.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

27 Financial Instruments

27.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2019 are as follows:

(Amount in ₹ million)

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	-	-	487.06	-	-	487.06	487.06
Trade receivables	2,192.34	-	-	-	-	2,192.34	2,192.34
Cash and cash equivalents	389.93	-	-	-	-	389.93	389.93
Loans	259.55	-	-	-	-	259.55	259.55
Unbilled revenue	336.96	-	-	-	-	336.96	336.96
Derivative financial assets	-	-	-	-	27.59	27.59	27.59
Other financial assets	1,616.32	-	-	-	-	1,616.32	1,616.32
Total financial assets	**4,795.10**	**-**	**487.06**	**-**	**27.59**	**5,309.75**	**5,309.75**
Financial liabilities							
Borrowings	970.61	-	-	-	-	970.61	927.42
Trade payables	494.29	-	-	-	-	494.29	494.29
Other financial liabilities	894.07	-	-	-	-	894.07	894.07
Total financial liabilities	**2,358.97**	**-**	**-**	**-**	**-**	**2,358.97**	**2,315.78**

The carrying value and fair value of financial instruments by categories as on 31 March 2018 were as follows:

(Amount in ₹ million)

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							
Cash and cash equivalents	0.95	-	-	-	-	0.95	0.95
Total financial assets	**0.95**	**-**	**-**	**-**	**-**	**0.95**	**0.95**
Financial liabilities							
Trade payables	0.09	-	-	-	-	0.09	0.09
Other financial liabilities	2.51	-	-	-	-	2.51	2.51
Total financial liabilities	**2.60**	**-**	**-**	**-**	**-**	**2.60**	**2.60**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

27.2 Fair value hierarchy

Financial assets and liabilities include investments, 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. Except for investments, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2.

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
Derivative financial assets	27.59	-	27.59	-
Investment in Birlasoft	487.06	487.06	-	-
Borrowings	927.42	-	927.42	-

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
Derivative financial assets	-	-	-	-
Borrowings	-	-	-	-

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.

27.3 Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company has exposure to the following risks arising from financial instruments:

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Company's receivables from customers amounting to ₹ 2,192.34 million and ₹ Nil and unbilled revenue amounting to ₹ 336.96 million and ₹ Nil and other current financial assets pertaining to receivables from related party amounting to ₹ 1,616.32 million and ₹ NIL 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.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team at each geography which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables

Particulars	Amount (in ₹ million)
Balance as on 01 April 2018	-
Transfer pursuant to scheme of demerger	83.69
Impairment relating to entities jointly controlled by the Company	(37.39)
Balance as on 31 March 2019	**46.30**

Trade receivables that were not impaired (Ageing as per the due date of invoice raised in demerged undertaking and/or in the Company)

	Carrying amount	
	31 March 2019	**31 March 2018**
Neither past due nor impaired	1,201.94	-
Past due 1 - 30 days	893.60	-
Past due 31 - 90 days	49.30	-
Past due 91 - 180 days	25.98	-
More than 180 days	21.52	-

Unbilled revenue is not outstanding for more than 90 days.

iii. Cash and bank balances

The Company held cash and bank balances of ₹ 389.93 million and ₹ 0.95 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. Other current financial assets

The Group is exposed to credit risk on receivables from related parties amounting to ₹ 1,616.32 million. The counterparty has a high credit rating of A+ for short term by CRISIL.

v. Guarantees

The Company's policy is to provide financial guarantees in routine course of business and on behalf of subsidiaries/joint ventures. The Company has issued the guarantee to certain financial institution in respect of credit facility granted to its joint venture. During the year, guarantee issued to the joint venture has been entirely provided for (Refer note 41(2)).

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents	389.93	0.95
Total	**389.93**	**0.95**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019:

(Amount in ₹ million)

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	970.61	1,012.98	626.46	365.82	8.36	12.34
Trade payables	494.29	494.29	494.29	-	-	-
Other financial liabilities	894.07	894.07	894.07	-	-	-

The following are the remaining contractual maturities of financial liabilities as on 31 March 2018 :

(Amount in ₹ million)

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Trade payables	0.09	0.09	0.09	-	-	-
Other financial liabilities	2.51	2.51	2.51	-	-	-

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.

Exposure to Currency Risk

The following is the Company'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
Trade receivables	1,232.22	-	189.72	611.95	2,033.89
Other financial assets	841.78	461.25	328.30	106.22	1,737.55
Unbilled Revenue	140.97	6.83	11.38	42.43	201.61
Borrowings	(1,139.97)	-	-	-	(1,139.97)
Trade payables	(28.71)	(18.69)	(1.96)	(29.98)	(79.34)
Other financial liabilities	(5.82)	(34.07)	(4.83)	(57.00)	(101.72)
Net assets/(liabilities)	**1,040.47**	**415.32**	**522.61**	**673.62**	**2,652.02**

For the period 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 3.27% / (3.27)%.

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 (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	0.80	62.16	-	-
USD	8.95	619.08	-	-
GBP	0.30	27.14	-	-

The forward contracts have maturity between 30 days to 6 months from 31 March 2019.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

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
Additions pursuant to scheme of demerger	9.75	-
Gains/(losses) on changes in fair value of foreign exchange contracts recognised in other comprehensive income	12.59	-
Deferred tax on fair value of effective portion of cash flow hedges	(4.39)	-
Balance at the end of the year	**17.95**	**-**

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	117.17	-
Financial liabilities	632.95	-
Variable rate instruments		
Financial liabilities	690.35	-

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ 3.46 million.

28 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. Any surplus or shortfall on account of merger / demerger within common control is also transferred to capital reserve (Refer note 41(1)). This reserve is not available for distribution of dividend.

(ii) General Reserve

General reserve amounting to INR 34.38 million is transferred to the Company on account of composite scheme of arrangement - demerger scheme (Refer note 41(1)). The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

29 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 ₹ 37.74 million (Previous year ₹ Nil)

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

2 Defined benefit plan

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 :

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Present value of defined benefit obligation at the beginning of the period	-	-
Current service cost	6.22	-
Interest cost	3.73	-
Liability transferred on account of demerger (Refer note 41(1))	198.35	-
Actuarial loss / (Gain) recognised in other comprehensive income		
a) experience adjustments	24.51	-
Benefits paid	(2.54)	-
Present value of defined benefit obligation at the end of the period	230.27	-

(Amount in ₹ million)

Analysis of defined benefit obligation	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Present value of obligation as at the end of the period	230.27	-
Net (asset) / liability recognized in the Balance Sheet	230.27	-

(Amount in ₹ million)

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Current service cost	6.22	-
Interest cost	3.73	-
Expenses recognized in the Statement of Profit and Loss	9.95	-

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

(Amount in ₹ million)

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Actuarial loss / (gain)	24.51	-
Net (income)/expense recognized in the OCI	24.51	-

Actuarial Assumptions:	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Discount rate	7.07%	NA
Salary Escalation	5.00%	NA
Attrition Rate	17.00%	NA

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:

	March 2019		March 2018	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(8.45)	9.26	-	-
Future salary growth (1% movement)	9.36	(8.69)	-	-
Attrition rate (1% movement)	(0.12)	0.04	-	-

Maturity profile of defined benefit plan

(Amount in ₹ million)

Projected benefits payable in future years from the date of reporting	31 March 2019	31 March 2018
Within 1 year	48.27	-
1-2 year	31.41	-
2-3 year	30.81	-
3-4 year	35.90	-
4-5 year	24.06	-
5-10 years	82.25	-
Thereafter	69.24	-

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2019	31 March 2018
Number of active members	5,793	-
Per month salary cost for all active members (₹ million)	117.43	-
Weighted average duration of the projected benefit obligation (years)	5.00	-
Average expected future service (years)	5.00	-
Projected benefit obligation (PBO)	230.27	-

30 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 ₹ 0.42 million (Previous year - ₹ Nil). Estimated interest due thereon is ₹ Nil (Previous year - ₹ Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹ Nil (Previous year - ₹ Nil). Interest paid thereon is ₹ Nil (Previous year - ₹ Nil) and the estimated interest due and payable thereon is ₹ Nil (Previous year - ₹ Nil).

c. The amount of estimated interest accrued and remaining unpaid as at 31 March 2019 is ₹ Nil (Previous year - ₹ Nil).

d. 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.

31 Expenditure and Earnings in foreign Currency

A. Expenditure in foreign Currency

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Cost of professional sub-contracting (net)	5.38	-
Finance costs	11.32	-
Marketing expenses	0.63	-
Other expenses	1.89	-
Professional charges	2.95	-
Recruitment and training expenses	0.99	-
Traveling expenses	26.70	-
Other expenses	1.89	-
Provision for doubtful debts and advances (net)	(16.24)	-

B Earnings in foreign Currency

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Software services	2,083.17	-
Interest income	0.19	-
Miscellaneous income	7.95	-

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

32 Particulars of loans and advances in nature of loans required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of party	Purpose	31 March 2019		31 March 2018	
		Balance	Maximum amount outstanding	Balance	Maximum amount outstanding
Impact Automotive Solutions Limited (including interest) (Refer note 41(1))	For administrative matters	102.03	107.52	-	-

33 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.

34 Related party disclosures

A. Relationship between the parent and its subsidiaries:

Relationship	Name of related party
Subsidiary Companies (Direct holding)	KPIT Technologies (UK) Limited
	KPIT (Shanghai) Software Technology Co. Limited, China
	KPIT Technologies GK, Japan
	Impact Automotive Solutions Limited
	KPIT Technologies Holding Inc., USA (w.e.f from 06 September 2018)
	MicroFuzzy KPIT Tecnologia Ltda, Brazil (w.e.f. 03 December 2018)
	KPIT Technologies Pte. Ltd.(w.e.f. 21 November 2018)
	KPIT Technologies Netherlands B.V.
Subsidiary Companies (Indirect holding)	KPIT Technologies GmbH, Germany (Through KPIT Technologies (UK) Limited)
	MicroFuzzy Industrie-Elektronic GmbH, Germany (Through KPIT Technologies GmbH, Germany)
	KPIT Technologies Inc., USA (Through KPIT Technologies Holding Inc., USA) (w.e.f 03 December 2018)
Joint Venture	Yantra Digital Services Private Limited, India (Through Impact Automotive Solutions Limited)**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

B. List of entities jointly controlled by a Group having joint control over the reporting entities:

Entities jointly controlled by a Group having joint control over the reporting entities	Birlasoft Limited (erstwhile KPIT Technologies Limited)
	Birlasoft Solutions Inc., USA (erstwhile KPIT Infosystems Incorporated, USA)
	KPIT Technologies France
	Sparta Consulting Inc., USA
	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation)
	KPIT Infosystems ME FZE, United Arab Emirates
	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation)
	KPIT Technologies Solucoes Em Informatica Ltda
	KPIT Solutions GmbH
	KPIT Infosystems Mexico, S.A. DE C.V. (w.e.f 25 October 2018)
	KPIT Infosystems Limited (UK) (w.e.f 18 April 2018)

C. List of Key Management Personnel:

Key Management Personnel (KMP)	Mr. S. B. (Ravi) Pandit	Executive Director (w.e.f. 16 January 2019)
	Mr. Kishor Patil	Executive Director (w.e.f. 16 January 2019)
	Mr. Sachin Tikekar	Executive Director (w.e.f. 16 January 2019)
	Mr. Anant Talaulicar	Independent Director (w.e.f. 16 January 2019)
	Mr. B V R Subbu	Independent Director (w.e.f. 16 January 2019)
	Prof. Alberto Sangiovanni Vincentelli	Independent Director (w.e.f. 16 January 2019)
	Dr. Klaus Blickle	Non-Executive Director (w.e.f. 16 January 2019)
	Mr. Nickhil Jakatdar	Independent Director (w.e.f. 16 January 2019)
	Ms. Shubhalakshmi Panse	Independent Director (w.e.f. 16 January 2019)
	Mr. Rohit Saboo	Nominee Director (w.e.f. 16 January 2019)
	Mr. Vinit Teredesai	Chief Financial Officer (w.e.f. 16 January 2019)
	Ms. Nida Deshpande	Company Secretary (w.e.f. 16 January 2019)

D. List of other related parties with whom there are transactions:

Relative of KMP	Mr. Chinmay Pandit
	Ms. Jayada Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited
	Proficient FinStock LLP
	Kirtane & Pandit LLP, Chartered Accountants, Pune

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

34 Related party disclosures

E. Transactions with related parties

No.	Name of related party	For the year ended 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
Transactions with entities jointly controlled by a Group having joint control over the reporting entities*					
1	**Birlasoft Limited (erstwhile KPIT Technologies Limited)**				
	Investment in equity	NIL		1.00	
	Cancellation of equity on account of demerger (Refer Note 41(1))	1.00	NIL	NIL	(1.00)
	Loan Taken	1,300.00		NIL	
	Interest expense	48.51	NIL	NIL	NIL
	Loan Repayment	1,343.66		NIL	
	Reimbursement of expenses (net)	450.11		2.51	
	Sales	147.78		NIL	
	Other transactions pertaining to customer/vendor novation which are pending or completed post demerger scheme.	312.54	1,530.92		(2.51)
	Advance received (net)	72.34		NIL	
2	**KPIT Infosystems ME FZE, United Arab Emirates (Korea Branch)**				
	Software service charges	NIL	(1.60)	NIL	NIL
3	**Birlasoft Computer Corporation, USA**				
	Payment towards purchase of investment in MicroFuzzy KPIT Tecnologia Ltda, Brazil	17.50	0.43	NIL	NIL
4	**KPIT Infosystems Limited (UK)**				
	Sales	NIL	0.72	NIL	NIL
5	**KPIT Infosystems ME FZE, United Arab Emirates (Australia Branch)**				
	Reimbursement of expenses (net)	1.09	(1.09)	NIL	NIL
6	**Birlasoft Solutions Inc., USA**				
	Software service charges	NIL	(0.14)	NIL	NIL

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

No.	Name of related party	For the year ended 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
Transactions with subsidiary companies*					
1	**KPIT Technologies Holding Inc., USA**				
	Investment in equity	1,254.60	1,254.60	NIL	NIL
	Reimbursement of expenses (net)	0.02	0.02	NIL	NIL
2	**MicroFuzzy KPIT Tecnologia Ltda, Brazil**				
	Investment in equity	17.48	17.48	NIL	NIL
3	**KPIT Technologies GmbH, Germany**				
	Sales	(36.57)	(69.97)	NIL	NIL
	Reimbursement revenue	1.09		NIL	
	Software service charges	NIL	(0.08)	NIL	NIL
	Reimbursement of expenses (net)	41.89	62.44	NIL	NIL
4	**KPIT Technologies (UK) Limited**				
	Sales	340.59	199.99	NIL	NIL
	Reimbursement revenue	31.69		NIL	
	Software service charges	NIL	(0.00)	NIL	NIL
	Investment in equity	NIL	947.08	NIL	NIL
	Advance received (net)	1.10	5.93	NIL	NIL
	Reimbursement of expenses (net)	6.61		NIL	
5	**Impact Automotive Solutions Limited**				
	Investment in equity	NIL	1,326.29	NIL	NIL
	Rent and administration charges	1.49	(1.63)	NIL	NIL
	License sale	16.00	22.05	NIL	NIL
	Sale of Component	1.10		NIL	
	Reimbursement of expenses (net)	2.36	4.53	NIL	NIL
	Repayment of Interest	7.52	102.03	NIL	NIL
	Interest income	2.26		NIL	
6	**KPIT Technologies GK, Japan**				
	Sales	435.87	554.23	NIL	NIL
	Reimbursement revenue	2.33		NIL	
	Software service charges	NIL	(27.14)	NIL	NIL
	Investment in equity	NIL	18.08	NIL	NIL
	Sale of Fixed Assets	7.95	(44.41)	NIL	NIL
	Advance given (net)	28.30		NIL	
	Reimbursement of expenses (net)	1.35		NIL	

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

No.	Name of related party	For the year ended 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
7	**KPIT Technologies GK (South Korea Branch)**				
	Sales	23.94	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.05	0.05	NIL	NIL
8	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Sales	74.48	56.19	NIL	NIL
	Reimbursement revenue	2.77		NIL	
	Software service charges	NIL	(1.04)	NIL	NIL
	Investment in equity	NIL	128.84	NIL	NIL
	Reimbursement of expenses (net)	NIL	0.02	NIL	NIL
9	**KPIT Technologies (UK) Limited (Italy branch)**				
	Sales	12.40	11.67	NIL	NIL
	Reimbursement revenue	1.20		NIL	
10	**KPIT Technologies (UK) Limited (Sweden branch)**				
	Reimbursement of expenses (net)	0.06	0.06	NIL	NIL
11	**KPIT Technologies Netherlands B.V.**				
	Sales	46.31	19.33	NIL	NIL
	Reimbursement revenue	0.27		NIL	
	Investment in equity	NIL	34.30	NIL	NIL
	Reimbursement of expenses (net)	NIL	2.74	NIL	NIL
12	**KPIT Technologies Pte. Limited, Singapore**				
	Sales	9.79	11.17	NIL	NIL
	Reimbursement revenue	0.13		NIL	
13	**KPIT Technologies Inc., USA**				
	Sales	1,061.31	1,205.87	NIL	NIL
	Reimbursement revenue	32.63		NIL	
	Software service charges	NIL	(0.12)	NIL	NIL
	Reimbursement of expenses (net)	4.83	5.20	NIL	NIL

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

No.	Name of related party	For the year ended 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
Transactions with entities in Joint Venture*					
1	**Yantra Digital Services Private Limited, India**				
	Reimbursement of expenses (net)	NIL	(0.89)	NIL	NIL
Transactions with Key Management Personnel					
1	**Mr. S. B. (Ravi) Pandit**				
	Short term employee benefits	3.05	NIL	NIL	NIL
	Post employment benefit plans	0.34	NIL	NIL	NIL
	Reimbursement of Expenses	0.21	(0.08)	NIL	NIL
2	**Mr. Kishor Patil**				
	Short term employee benefits	3.02	NIL	NIL	NIL
	Post employment benefit plans	0.34	NIL	NIL	NIL
	Perquisites	0.10	NIL	NIL	NIL
	Repayment of loan granted	1.56	11.80	NIL	NIL
	Interest income	0.25		NIL	
	Reimbursement of expenses (net)	0.32	(0.08)	NIL	NIL
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	3.01	NIL	NIL	NIL
	Post employment benefit plans	0.11	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.05	(0.05)	NIL	NIL
4	**Mr. Anant Talaulicar**				
	Sitting Fees	0.02	NIL	NIL	NIL
5	**Mr. B V R Subbu**				
	Sitting Fees	0.02	NIL	NIL	NIL
6	**Ms. Shubhalakshmi Panse**				
	Sitting Fees	0.02	NIL	NIL	NIL
7	**Mr. Rohit Saboo**				
	Sitting Fees	0.02	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.06	NIL	NIL	NIL

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

No.	Name of related party	For the year ended 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
8	**Mr. Vinit Teredesai**				
	Short term employee benefits	1.86	NIL	NIL	NIL
	Post employment benefit plans	0.06	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.21	NIL	NIL	NIL
9	**Ms. Nida Deshpande**				
	Short term employee benefits	0.42	NIL	NIL	NIL
	Post employment benefit plans	0.01	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.00	NIL	NIL	NIL
Transactions with relative of Key Management Personnel					
1	**Mr. Chinmay Pandit#**				
	Short term employee benefits	0.91	NIL	NIL	NIL
	Post employment benefit plans	0.03	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.12	0.02	NIL	NIL
2	**Mrs. Jayada Pandit#**				
	Short term employee benefits	0.44	NIL	NIL	NIL
	Post employment benefit plans	0.01	NIL	NIL	NIL

* All transactions with these related parties are priced on an arm's length basis.

** The investee is a associate as defined under section 2(87) of the Companies Act, 2013. For the purpose of Ind-AS financial statements, the entity has been considered as a Joint Venture as defined under Ind-AS 28 : Investments in Associates and Joint Ventures.

\# As a result of demerger, the employees have been transferred from KPIT Technologies Limited (renamed as Birlasoft Limited) to the Company with effect from the appointed date as per the Composite Scheme i.e. January 1, 2019 and hence, above figures are reported for the period January 1, 2019 till March 31, 2019.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

35 Lease transactions

1. Finance leases

Pursuant to the scheme of demerger, the Company has received lease arrangements. It consist of vehicles under finance lease for a period of 4 years. Upon payment of all sums due towards the agreement, the Company has the option of acquiring the assets. 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 assets taken on lease.

The Company has also received land pursuant to the scheme of demerger 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:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Future minimum lease payments		
- not later than one year	0.09	NIL
- later than one year and not later than five years	NIL	NIL
- later than five years	NIL	NIL
Total future minimum lease payments	0.09	NIL
Amount representing future interest	0.00	NIL
Present value of future minimum lease payments	0.09	NIL
- not later than one year	0.09	NIL
- 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 ₹ 389.07 million (Previous year ₹ Nil).

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:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Minimum lease payments		
- Not later than one year	214.87	-
- later than one year and Not later than five years	722.31	-
- Later than five years	681.09	-
Total minimum lease payments	**1,618.27**	**-**

Rental expenses of ₹ 60.73 million (Previous year ₹ Nil) 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.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

36 Basic and diluted earnings per share

Particulars		For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Nominal value per equity share	₹	10.00	10.00
Profit/(loss) for the period	₹ (million)	**744.47**	**(2.66)**
Weighted average number of equity shares	No. of shares	66,281,422	100,000
Earnings per share - Basic	₹	**11.23**	**(26.60)**
Effect of dilutive potential equity shares-			
Weighted average number of diluted equity shares	No. of shares	66,491,739	100,000
Earnings per share - Diluted	₹	**11.20**	**(26.60)**

37 The Company has received recognition from Department of Scientific and Industrial Research, Ministry of Science and Technology DSIR for its Research and Development (R&D) facility at its premise in Hinjawadi which is effective upto 31 March 2021. During the year, the R&D facility is approved for the purpose of section 35(2AB) of the Income Tax Act 1961 upto 31 March 2021.

Research and development expenditure debited to the Statement of Profit and Loss aggregating to ₹ 58.55 million (Previous year ₹ Nil) has been incurred by the Company and disclosed under appropriate account heads. Out of total R & D expenditure incurred during the year ₹ 37.53 million (Previous year ₹ Nil) is towards eligible R & D expenditure under section 35 (2AB).

Total capital expenditure towards R & D facility is as follows, which is disclosed in respective fixed assets blocks:

(Amount in ₹ million)

Particulars	31 March 2019
Building	NIL
Computers	NIL
Plant and Machinery	NIL
Office Equipments	0.12
Furniture and Fixtures	NIL

38 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 :

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Carrying amount as at the beginning of the year	-	-
Addition pursuant to the scheme of demerger (Refer Note 41(1))	2.01	-
Additional provision made during the year	1.16	-
Carrying amount at the end of the year	3.17	-

The warranty provision is expected to be utilized over a period of one year.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

2. Contingent liabilities

A. Taxes and guarantees

(Amount in ₹ million)

Sr. No.	Particulars	31 March 2019	31 March 2018
1	Outstanding bank guarantees in routine course of business	175.09	NIL

B. Other matters

Birlasoft Limited (erstwhile KPIT Technologies Limited) had made a disclosure on 14 September 2018, towards an update on lawsuit filed by Copart Inc. ("Copart") against Sparta Consulting, Inc. ("Sparta"), Birlasoft Solutions Inc. (erstwhile KPIT Infosystems, Inc.) and Birlasoft Limited (erstwhile KPIT Technologies Limited). Post the jury verdict, both Sparta and Copart raised several issues for the Court. The Court has given a ruling on some of the issues, as a result of which Sparta's net liability has been reduced from approximately USD 16 million to approximately USD 8 million. The ruling on other issues consisting largely of claims by Sparta against Copart is still awaited. Sparta would have a further right to appeal the Court's Order. Sparta and Birlasoft Solutions Inc. continue to vigorously deny any and all wrong doing, and will continue to challenge the verdict as per legal advice.

As a part of merger and demerger scheme (Refer note 41(1)), where engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) has demerged into KPIT Engineering Limited (now KPIT Technologies Limited) as a resulting entity, legal liability/ recourse / proceedings, expenditure related to the legal proceedings and monetary benefits and reliefs, if any, relating to Copart will be with KPIT Technologies Limited (erstwhile KPIT Engineering Limited) or/and its subsidiaries.

3. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:-

a. Property, plant and equipment - ₹ 38.03 million (31 March 2018 ₹ Nil).

b. Intangible assets - ₹ 89.87 million (31 March 2018 ₹ Nil).

39 Revenue from operations

Revenues for the year ending 31 March 2019 are as follows:

Segment	(Amount in ₹ million)
Product Engineering Services	2,251.50
Product Organization	51.50
Total	**2,303.00**

Company has started its operations during the year, hence there are no comparative numbers.

Disaggregate revenue information

The table below represents disaggregated revenues from contract with customers by geography and contract type for each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

For the year ending 31 March 2019:

(Amount in ₹ million)

Geography	Product Engineering Services	Product Organization	Total in ₹ million
India	2,251.50	51.50	2,303.00
Total	**2,251.50**	**51.50**	**2,303.00**

(Amount in ₹ million)

Contract Type	Product Engineering Services	Product Organization	Total in ₹ million
T&M Projects	1,250.16	36.80	1,286.96
Fixed Price Projects	975.26	14.70	989.96
Sale from Manufacturing Unit/ Product Sale	26.08	-	26.08
Total	**2,251.50**	**51.50**	**2,303.00**

The following table discloses the movement in unearned revenue during period ending 31 March 2019:

Particulars	Total in ₹ million
Balance at the beginning	-
Add: Addition on account of demerger	342.32
Add: Invoiced during the period but not recognised as revenue	274.80
Less: Revenue recognised during the period	(250.67)
Balance at the end	**366.45**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019, other than those meeting the exclusion criteria mentioned above, is ₹ 722 million. Out of this, the Company expects to recognize revenue of around 82% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

The impact on account of applying the erstwhile Ind AS 18 Revenue standard instead of Ind AS 115 Revenue from contracts with customers on the Standalone financial statements of the Company for the year ended 31st March 2019 is insignificant.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

40 Income taxes

The income tax expense consists of following:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Tax expense		
Current tax	117.87	-
Deferred tax (benefit) / charge	(48.10)	-
Total tax expense	**69.77**	**-**

The net charge relating to temporary differences during the year ended 31 March 2019 is primarily on account of property, plant & equipment and gratuity and leave encashment.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Profit/(loss) before tax	814.24	(2.66)
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	284.53	(0.93)
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of tax holiday, exemptions and deductions	(97.43)	-
Effect of permanent adjustments	(111.05)	-
Effect of unrecognized deferred tax assets	-	0.93
Others (net)	(6.28)	-
Total tax expense	69.77	-

During the year ended March 31, 2019, 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 June 2, 2011 which has been renewed till March 2018. The weighted tax deduction is equal to 150% of such expenditures incurred.

Additionally, the Company benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005(SEZ). Accordingly, units in designated SEZ are eligible for a deduction of 100 percent 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 percent of such profits or gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Company expires in various years through fiscal 2025. From April 1, 2011 units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

Deferred Tax

The gross movement in the deferred tax account for the period from 1 April 2018 to 31 March 2019:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
MAT credit entitlement during the year	73.73	
Credit / (Charge) relating to temporary differences (net)	(25.64)	
Temporary differences on other comprehensive income	(15.79)	
Liability transferred pursuant to the scheme of demerger (Refer Note 41(1))	(30.48)	-
Net deferred tax asset at the end	1.82	-

The deferred tax liability of ₹ 30.48 million corresponding to the tax base of assets and liabilities transferred to the resultant entity i.e. KPIT Technologies Limited (erstwhile KPIT Engineering Limited) under the scheme of demerger is recognized during the year ended on 31 March 2019. The net charge 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 and property, plant & equipment.

41 Other disclosures and explanatory notes

1 Scheme of arrangement

The Board of Directors of KPIT Technologies Limited (now known as Birlasoft Limited) at its meeting held on 29 January 2018 had approved a Composite Scheme which was subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited ("Birlasoft" or "Transferor Company") with KPIT Technologies Limited ("KPIT" or "Transferee Company" or "Demerged Company"); and (b) demerger of the engineering business of KPIT Technologies Limited into KPIT Engineering Limited ("Resulting Company").

Pursuant to the Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 for which the certified copy of the order was received on 18 December 2018, the 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 1 January 2019, the appointed date.

Shareholders of the Transferor Company will receive 22 equity shares of the Transferee Company for every 9 shares they hold in the Transferor Company. After the demerger of KPIT's engineering business, shares of the Resulting Company will be listed and shareholders of the Demerged Company will receive 1 share of the Resulting Company for every 1 share they hold in the Demerged Company. After the demerger, the Demerged Company will have a combined business of KPIT IT Services and the current Birlasoft creating a new leader in the mid-tier IT services space. Whereas the Resulting Company will have 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 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 these financial statements as on the appointed date.

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

Pursuant to the approved Composite Scheme, the Resulting Company shall account 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:

1. Assets, Liabilities and Reserves of the Demerged Undertaking transferred to and vested in the Resulting Company shall be recorded at their carrying values as appearing in books of the Demerged Company at the time of the demerger effective date and in accordance with requirements of relevant Ind AS.
2. The Resulting Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to the Composite Scheme to the shareholders of the Demerged Company.
3. Subsequent to the demerger, the pre demerger shares of the Resulting Company held by the Demerged Company shall be cancelled and appropriately adjusted with share capital/share premium of the Resulting Company.
4. The inter-company balances between Demerged Company and Resulting Company relating to Demerged Undertaking, if any, in the books of accounts of Demerged Company and Resulting 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 Demerger by the Resulting Company shall be adjusted in capital reserves of Resulting Company.
6. The Company is in the process of transferring the title of the assets and liabilities received under the scheme of demerger as on the reporting date.
7. As per para 43 of Ind-AS 7 - Statement of Cash Flows, transactions that do not require the use of cash and cash equivalents (i.e. the above transfer of assets and liabilities under the scheme of demerger) have been excluded from the standalone cash flow statement.

   The details of Demerged Undertaking as per the scheme approved by National Company Law Tribunal into Resulting Company is as follows:

(Amount in ₹ million)

Particulars	01 January 2019
ASSETS	
Non-current assets	
Property, plant and equipment	2,442.17
Capital work-in-progress	7.13
Other intangible assets	667.02
Intangible assets under development	18.63
Financial assets	
Investments	2,454.59
Loans	191.85
Other non-current assets	25.76
	5,807.15

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars	01 January 2019
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
	5,255.17
Total assets	**11,062.32**
EQUITY AND LIABILITIES	
Equity	
Other equity (Refer note i below)	3,573.15
Total equity	**3,573.15**
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	548.92
Provisions	201.88
Deferred tax liabilities (net)	30.48
	781.28
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 liabilities	**6,142.19**
Excess of assets over liabilities	**4,920.13**
Less: Issue of equity share capital of the Company due to demerger (Refer Note 14)	2,741.43
Add: Cancellation of existing share capital of the Company (Refer Note 14)	1.00
Amount credited to capital reserve pursuant to the above scheme of arrangement	**2,179.70**

Notes forming part of the standalone financial statements
for the year ended on 31 March 2019

Note:

i. The above assets, liabilities and reserves are for the standalone company. Accordingly, Other equity:

(a) includes the below identified reserves transferred on account of demerger of standalone company:

- General reserve amounting to ₹ 34.38 million
- Remeasurement of the net defined benefit Plans amounting to ₹ (44.16) million
- Effective portion of cash flow hedges amounting to ₹ 9.75 million
- Retained earnings amounting to ₹ 3,573.18 million

(b) excludes ₹ 188.91 million with respect to KPIT Employee Welfare Trust.

2 In line with its re-defined strategy to focus on software led Engineering Services, the Company on prudent assessment has provided for exposure in its joint venture company in the business in "KIVI-Smart Bus WIFI" towards the Corporate Guarantee for lease obligation towards running this business for ₹ 101.40 million.

3 The Company was required to spend ₹ Nil towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹ 1.35 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. Also, refer Annexure 7 of the Director's Report.

4A In accordance with the terms of the Composite Scheme, the Company is required to issue the stock options in the Company to the employees holding options of the Demerged Company. However, as at 31 March 2019, pending administrative process, such options were not issued by the Company.

4B Previous period's figures have been regrouped / reclassified wherever necessary to conform with the current year's classification / disclosure. Further, consequent to the Composite Scheme as aforesaid, the previous period's figures are not comparable with the current year's figures.

5 The Company has consolidated the KPIT Technologies Limited Employee Welfare Trust.

6 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: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of KPIT Technologies Limited (Erstwhile KPIT Engineering 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, and based on the consideration of reports of other auditors on separate financial statements of such subsidiary and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India (including accounting for the composite scheme of business combination in accordance with the National Company Law Tribunal order), of the consolidated state of affairs of the Group and its 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.

Emphasis of matter

We draw attention to Note 41.2B of the consolidated financial statements, which describes the uncertainty related to the outcome of the lawsuit undertaken by the Holding Company pursuant to aforesaid composite scheme of arrangement. Our opinion is not modified in respect of this matter.

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

Accuracy of recognition, measurement and presentation including disclosures of Revenues for Fixed price contracts with customers. See note 24 and 42 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group has recognized revenue from fixed price contracts with customers of INR 2,642.7 million. The revenue from fixed price contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs (Refer Note 1.3 to the consolidated financial statements), is a key audit matter considering: 1. There is an inherent risk around the accuracy of revenues given the customized and complex nature of these contracts. 2. Application of revenue recognition accounting standard is complex and involves a number of key Judgments 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. 3. These contracts may involve onerous obligations on the Group that require critical estimates to be made by management.	In view of the significance of the matter we applied the following audit procedures in this area for the Group, among others to obtain sufficient appropriate audit evidence: – Evaluated the Design and implementation of internal controls over estimates for recording of revenue from fixed price contracts including unearned revenue and contract assets. – Tested the system application controls over Information Produced by the Entity for planned costs and actual cost reports. – Performed testing of operating effectiveness of controls implemented by the Management over recognition, measurement and presentation/ disclosure of Revenue from fixed price contracts. On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by– – Inspection of terms of contract, evaluated the revenue recognition is as per the recognition principles in IND AS 115. – Performed a retrospective review of costs incurred to date with estimated costs and contribution till date with recognized till date with the planned contribution – Assessed the appropriateness of work in progress (contract assets) on 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 costs. – Performed test of details to agree the revenue recognized to underlying documents such Purchase order, statement of work, milestone billing and revenue calculations. – Agreed the amounts in disclosures to underlying reports such as sales register and fixed price contract report.

Other Information

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 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 its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of INR 973.78 million as at 31 March 2019, total revenues of INR 197.01 million and net cash flows amounting to INR 4.79 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss (and other comprehensive income) of INR Nil for the year ended 31 March 2019, in respect of 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India 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 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 reports of the other auditors on separate financial statements of the 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 41.2B to the consolidated financial statements.

ii) The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

iii) There are no amounts which are required to be transferred 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.

iv) The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since the Company was incorporated on 8 January 2018.

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 and based on the reports of the statutory auditors of such subsidiary companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and its 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 its joint venture, as applicable, 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: Pune
Date: 15 May 2019

Annexure A

Annexure A to the Independent Auditors' report on the consolidated financial statements of KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) for the period ended 31 March 2019

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of 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 KPIT Technologies Limited (Erstwhile KPIT Engineering 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 and the audit evidence obtained by the other auditors of the relevant subsidiary companies, and joint venture company (jointly controlled company) in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

Consolidated Balance Sheet
as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	2,568.33	-
Capital work-in-progress		1.00	-
Goodwill	2B	942.29	-
Other intangible assets	2C	687.15	-
Intangible assets under development		4.07	-
Equity accounted investees	3A	-	-
Financial assets			
Investments	3B	10.39	-
Loans	4	85.00	-
Other financial assets	5	17.03	-
Income tax assets (net)		38.22	-
Deferred tax assets (net)	6	44.12	-
Other non-current assets	7	42.89	-
		4,440.49	**-**
Current assets			
Inventories	8	179.94	-
Financial assets			
Investments	9	487.06	-
Trade receivables	10	5,920.04	-
Cash and cash equivalents	11	2,008.72	0.95
Other balances with banks	11	197.88	-
Loans	12	125.76	-
Unbilled revenue		707.83	-
Other financial assets	13	2,176.87	-
Other current assets	14	496.96	-
		12,301.06	**0.95**
TOTAL ASSETS		**16,741.55**	**0.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,685.02	1.00
Other equity	34	6,910.55	(2.66)
Equity attributable to owners of the Company		**9,595.57**	**(1.66)**
Non-controlling interest		39.09	-
Total equity		**9,634.66**	**(1.66)**

Consolidated Balance Sheet
as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	370.93	-
Other financial liabilities	17	38.07	-
Provisions	18	288.15	-
Deferred tax liabilities (net)	19	0.66	-
		697.81	**-**
Current liabilities			
Financial liabilities			
Borrowings	20	599.68	-
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		0.42	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,122.67	0.09
Other financial liabilities	21	3,106.38	2.51
Other current liabilities	22	1,199.13	0.01
Provisions	23	223.30	-
Income tax liabilities (net)		157.50	-
		6,409.08	**2.61**
TOTAL EQUITY AND LIABILITIES		**16,741.55**	**0.95**

Significant accounting policies	1
Notes referred to above form an integral part of the consolidated financial statements	2-44

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Revenue from operations	24 & 42	6,412.56	-
Other income	25	355.40	-
Total income		**6,767.96**	**-**
Expenses			
Cost of materials consumed	26	115.54	-
Changes in inventories of finished goods and work-in-progress	27	(11.47)	-
Employee benefits expense	28	3,567.51	-
Finance costs	29	69.37	-
Depreciation and amortization expense	2	187.74	-
Other expenses	30	1,824.41	2.66
Total expenses		**5,753.10**	**2.66**
Profit/(loss) before exceptional items, share of equity accounted investee and tax		**1,014.86**	**(2.66)**
Exceptional items (Refer note 44(7))		(342.91)	-
Profit/(loss) before share of equity accounted investees and tax		671.95	(2.66)
Share of Profit of equity accounted investees (net of tax)		-	-
Profit/(loss) before tax		671.95	(2.66)
Tax expense	43		
Current tax		168.55	-
Deferred tax charge		(46.80)	-
Total tax expense		**121.75**	**-**
Profit/(loss) for the period		**550.20**	**(2.66)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(25.05)	-
Income tax on items that will not be reclassified to profit or loss		(11.40)	-
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		52.58	-
Effective portion of gains/(losses) on hedging instruments in cash flow hedges		12.59	-
Income tax on items that will be reclassified to profit or loss		(4.39)	-
Total other comprehensive income		**24.33**	**-**
Total comprehensive income for the period		**574.53**	**(2.66)**

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

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Profit/(loss) attributable to			
Owners of the Company		541.86	(2.66)
Non-controlling interests		8.34	-
Profit/(loss) for the period		**550.20**	**(2.66)**
Other comprehensive income attributable to			
Owners of the Company		24.65	-
Non-controlling interests		(0.32)	-
Other comprehensive income for the period		**24.33**	**-**
Total comprehensive income attributable to			
Owners of the Company		566.51	(2.66)
Non-controlling interests		8.02	-
Total comprehensive income for the period		**574.53**	**(2.66)**
Earnings per equity share for continuing operations (face value per share ₹ 10 each)			
Basic	39	8.18	(26.60)
Diluted	39	8.15	(26.60)

Significant accounting policies	1
Notes referred to above form an integral part of the consolidated financial statements	2-44

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

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For and on behalf of the Board of Directors of
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Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

(Amount in ₹ million)

	PARTICULARS	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES (Refer note 44(3))**		
	Profit/(loss) for the period	550.20	(2.66)
	Adjustments for		
	Income tax expense	121.75	-
	(Profit)/loss on sale of fixed assets (net)	(0.67)	-
	Depreciation and amortization expense	187.74	-
	Interest expense	69.37	-
	Interest income	(8.83)	-
	Dividend income	(0.10)	-
	Exceptional items	342.91	-
	Provision for doubtful debts and advances (net)	(205.45)	-
	Bad debts written off	230.31	-
	Change in fair value of investments	(319.01)	-
	Unrealised foreign exchange loss/(gain)	(89.44)	-
	Operating Profit before working capital changes	**878.78**	**(2.66)**
	Adjustments for changes in working capital:		
	Trade receivables and unbilled revenue	(1,363.75)	-
	Inventories	(11.09)	-
	Loans, other financial assets and other assets	(114.45)	-
	Trade payables	1,005.63	0.09
	Other financial liabilities, other liabilities and provisions	1,432.23	2.52
	Cash generated from operations activities	**1,827.35**	**(0.05)**
	Income taxes paid	**(182.50)**	**-**
	Net cash from operating activities (A)	**1,644.85**	**(0.05)**
B	**CASH FLOW FROM INVESTING ACTIVITIES (Refer note 44(3))**		
	Purchase of property, plant and equipment	(270.30)	-
	Proceeds from sale of property, plant and equipment	8.30	-
	Acquisition of subsidiary	(694.80)	-
	Investment in mutual fund	(100.00)	-
	Proceeds from sale of investment in mutual fund	100.00	-
	Interest received	7.55	-
	Dividend received	0.10	-
	Fixed deposit with banks (net) having original maturity over three months	(54.32)	-
	Net Cash used in investing activities (B)	**(1,003.47)**	**-**
C	**CASH FLOW FROM FINANCING ACTIVITIES (Refer note 44(3))**		
	Repayment of Long term loan from banks*	(172.93)	-
	Proceeds from issue of Share Capital and application money	-	1.00
	Payment towards shares issue and listing expenses	(33.80)	-
	Proceeds from Working Capital loan*	1,899.61	-
	Repayment of Working Capital loan*	(1,300.00)	-
	Proceeds from / (payments for) shares issued / purchased by Employee Welfare Trust (net)	20.26	-
	Interest and finance charges paid	(75.44)	-
	Net cash (used in)/from financing activities (C)	**337.70**	**1.00**

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

(Amount in ₹ million)

	PARTICULARS	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
D	Exchange differences on translation of foreign currency cash and cash equivalents	5.03	-
	Net Increase / (decrease) in cash and cash equivalents (A+B+C+D)	**984.11**	**0.95**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2019:**

Particulars	Long term borrowings (including current portion)	Short term borrowings
Opening balance at the start of the period	-	-
Additions pursuant to the scheme of demerger (Refer note 44(3))	911.52	-
Add: Cash inflow (Proceeds of working capital loans from banks)	-	1,899.61
Less: Cash outflow (Repayment of loans)	172.93	1,300.00
Add: Non-cash changes (including effects of unrealised foreign exchange)	(14.97)	0.07
Closing balance at the end of the year	723.62	599.68

Cash and cash equivalents at close of the year (Refer note 1 below)	2,008.72	0.95
Cash and cash equivalents at beginning of the year (Refer note 1 below)	0.95	-
Cash and cash equivalents transferred pursuant to the scheme of demerger	1,023.66	-
Cash Surplus / (deficit) for the year	**984.11**	**0.95**
Note 1 :		
Cash and cash equivalents include:		
Cash on hand	0.02	-
Balance with banks		
- In current accounts	2,008.70	0.95
Total Cash and cash equivalents	**2,008.72**	**0.95**

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: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
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CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

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Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

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

A Equity share capital

	(Amount in ₹ million)
Equity share capital issued during the period	1.00
Balance as at 31 March 2018	**1.00**
Cancellation of shares pursuant to demerger scheme (Refer note 44(3))	(1.00)
Issue of share capital pursuant to demerger scheme (net of shares issued to employee welfare trust ₹ 56.41 million) (Refer note 44(3))	2,685.02
Balance as at 31 March 2019	**2,685.02**

B Other equity

	Reserves & surplus				Items of other comprehensive income		Equity attributable to owners of the Company	Non-controlling interest	Total equity
	Capital Reserve	General reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer Note 35(2))	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 31.3)			
Loss for the period	-	-	(2.66)	-	-	-	(2.66)	-	(2.66)
Balance as on 31 March 2018	**-**	**-**	**(2.66)**	**-**	**-**	**-**	**(2.66)**	**-**	**(2.66)**
Balance as on 01 April 2018	**-**	**-**	**(2.66)**	**-**	**-**	**-**	**(2.66)**	**-**	**(2.66)**
Profit for the period	-	-	541.86	-	-	-	541.86	8.34	550.20
Other comprehensive income (net of tax)	-	-	-	(36.45)	52.90	8.20	24.65	(0.32)	24.33
Total comprehensive income for the period	**-**	**-**	**541.86**	**(36.45)**	**52.90**	**8.20**	**566.51**	**8.02**	**574.53**
Others									
Accumulated deficit of employee welfare trust	-	-	(72.23)	-	-	-	(72.23)	-	(72.23)
Effect on account of purchase of stake in minority shareholder	(124.13)	-	-	-	-	-	(124.13)	-	(124.13)
Effect on account of acquisition of subsidiary under common control business combination	(177.86)	-	-	-	-	-	(177.86)	-	(177.86)
Effect on account of demerger scheme (Refer note 44(3))	2,179.70	(113.92)	4,724.57	(45.26)	-	9.75	6,754.84	31.07	6,785.91
Share issue and listing expenses	-	-	(33.92)	-	-	-	(33.92)	-	(33.92)
Balance as on 31 March 2019	**1,877.71**	**(113.92)**	**5,157.62**	**(81.71)**	**52.90**	**17.95**	**6,910.55**	**39.09**	**6,949.64**

Significant accounting policies	1
Notes referred to above form an integral part of the consolidated financial statements	2-44

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Company Overview

KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("the Company") is a public limited company incorporated on 8 January 2018 under the Companies Act, 2013 and has been listed with effect from April 22, 2019. The Company's registered office is in Pune and it has subsidiaries and joint venture across multiple geographies.

The Group provides Technology solutions in embedded software for the Automobile and Mobility Industry. Refer note 44(3) for details of a Scheme of Demerger during the year.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 15 May 2019.

1. Significant accounting policies

1.1 Basis of consolidation

The Consolidated Financial Statements relate to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("the Company"), its subsidiary companies and its joint venture which constitutes "the Group" (Refer note 37).

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 company and are drawn up to the same reporting date as of the Company.

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 and the provisions of Companies Act, 2013. 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 for share based payments, defined benefit obligations, purchase consideration in business combinations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Use of estimates

The preparation of consolidated financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

Critical accounting estimates

i. Revenue Recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to 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 productivity. 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 (if any).

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 acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values.

iv. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and when ever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

v. Measurement of defined benefit obligation and key actuarial assumptions

Information about assumptions and estimation uncertainties in respect of defined benefit obligations is included in note 35(2).

b. Principles of consolidation:

The Consolidated financial statements have been prepared on the following basis:

i. The Company consolidates all the entities over which it has control. The Company establishes control when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which the control ceases.

ii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses have been fully eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Company.

iii. The excess of cost of acquisition to the Group over the share of net fair value of identifiable assets, liabilities and contingent liabilities of the subsidiary companies, at the acquisition dates, is 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 other comprehensive income and the same is accumulated as capital reserve in equity.

iv. Non-controlling interest is initially measured either at fair value or at the proportionate share of the subsidiary companies' identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequently, the carrying amount of non-controlling interest is adjusted for the changes in the equity of the subsidiary companies.

v. The investments in joint venture and associate 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 Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

ii. Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

iii. 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

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in other comprehensive income and the same is accumulated as capital reserve in equity. 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 derives revenue primarily from software development and related services and from the sale of licenses and products.

Effective 1 April 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method. Group has started its operations effective 1 April 2018, hence there are no comparative numbers. The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange of those goods or services.

Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis.

Revenue on time and material contracts are recognised as the related services are performed and revenue from the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed price contracts where the performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

term of the underlying maintenance arrangement. Revenue from client training, support and other services arising due to the sale of software products is recognized as the services are performed.

Revenues in excess of invoicing are classified either as contract assets (unbilled revenue) or financial assets (unbilled revenue), while invoicing in excess of revenues are classified as contract liabilities (unearned revenue).

Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time.

In arrangements for software development and related services and maintenance services, the Group has applied the guidance in Ind AS 115, 'Revenue from contracts with customers', by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a “right to use” the license is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services(ATS). The Group has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably over the period in which the services are rendered. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

The Group accounts for volume and / or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

Revenue from sale of goods is recognised upon actual delivery of goods along with transfer of control and significant risks and rewards to the customers.

Expenses reimbursed by customers during the project execution are recorded as a reduction to associated costs.

The Group presents revenues net of indirect tax in its Statement of Profit and Loss.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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 fixed 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	30
Plant and equipment[(1)]	3-5
Office Equipment[(1)]	5-10
Owned Vehicle[(1)]	5
Furniture and fixtures[(1)]	7-10

[(1)]For these class of assets, based on internal assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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.

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.

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. 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.

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.

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.

1.14 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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. 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 Alternate 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.

    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.

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.

A contract to pay or receive a fixed amount on the occurrence or non-occurrence of a future event is considered to a derivative, provided that this future event depends on a financial variable or a non-financial variable not specific to a party to the contract. The Group considers EBITDA, profit, sales volume (e.g. revenue) or the cash flows of one counterparty to be non-financial variable that are specific to a party to the contract.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are 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.

1.19 Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1 April 2019:

Ind AS 116

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 Group will recognise new assets and liabilities for its operating leases of offices, warehouse and factory facilities. The nature of expenses related to those leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

In addition, the Group will no longer recognise provisions for operating leases that it assesses to be onerous as described in Note 1.15. Instead, the Group will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

The Group plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

On transition, the Group will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Group is in the process of evaluating the impact of the above on the financial statements.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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 Group does not have 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 Group does not expect any significant impact of the amendment on its financial statements.

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 Group is in the process of evaluating the impact on its financial statements from this amendment.

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 remeasurement. 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 Group is in the process of evaluating the impact on its financial statements from this amendment.

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 Group does not expect any impact from this amendment.

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 Group has one Joint venture which is accounted for under equity method and hence there is no impact on its financial statements from this amendment.

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 Group will apply the pronouncement if and when it obtains control / joint 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 2018	-	-	-	-	-	-	-	-	-
Additions	-	-	2.90	39.34	5.53	-	4.30	10.83	62.90
Additions pursuant to scheme of demerger (Refer Note 44(3))	405.40	1,035.26	209.91	803.11	184.10	6.70	45.84	440.80	3,131.12
Additions on account of business combinations	-	-	-	8.64	1.75	-	-	0.59	10.98
Disposal/retirements/ derecognition	-	1.51	3.55	5.24	4.10	-	-	2.34	16.74
Gross carrying amount as at 31 March 2019	**405.40**	**1,033.75**	**209.26**	**845.85**	**187.28**	**6.70**	**50.14**	**449.88**	**3,188.26**
Accumulated depreciation as at 1 April 2018	-	-	-	-	-	-	-	-	-
Additions pursuant to scheme of demerger (Refer Note 44(3))	15.24	0.55	96.57	200.05	61.14	6.64	24.86	129.25	534.30
Additions on account of business combinations	-	-	-	5.87	0.89	-	-	0.11	6.87
Depreciation	1.09	8.79	7.57	46.04	6.23	0.06	2.17	16.39	88.34
Foreign exchange translation	-	-	(0.01)	(0.26)	(0.04)	-	-	(0.19)	(0.50)
Disposal/retirements/ derecognition	-	0.55	1.83	3.93	1.69	-	-	1.08	9.08
Accumulated depreciation as at 31 March 2019	**16.33**	**8.79**	**102.30**	**247.77**	**66.53**	**6.70**	**27.03**	**144.48**	**619.93**
Carrying amount as at 31 March 2019	**389.07**	**1,024.96**	**106.96**	**598.08**	**120.75**	**-**	**23.11**	**305.40**	**2,568.33**

Notes:

(i) Refer note 16 for details of property, plant and equipment pledged as security for borrowings.

2B Goodwill

(Amount in ₹ million)

	31 March 2019	31 March 2018
Additions pursuant to scheme of demerger(Refer Note 44(3))	959.98	-
Foreign exchange translation	(17.69)	-
Carrying amount as at 31 March 2019	**942.29**	**-**

The Group tests goodwill annually for impairment. 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. The estimated recoverable amount of these cash-generating units does not trigger any impairment.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

2C Other intangible assets

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost	Technical Knowhow	Software	
Gross carrying amount as at 1 April 2018	-	-	-	-
Additions	-	-	38.80	38.80
Additions pursuant to scheme of demerger (Refer Note 44(3))	899.96	9.51	849.19	1,758.66
Additions on account of business combinations	3.29	-	-	3.29
Disposal/retirements/derecognition	0.36	-	-	0.36
Gross carrying amount as at 31 March 2019	**902.89**	**9.51**	**887.99**	**1,800.39**
Accumulated amortisation as at 1 April 2018	-	-	-	-
Additions pursuant to scheme of demerger (Refer Note 44(3))	442.24	9.51	562.11	1,013.86
Additions on account of business combinations	0.74	-	-	0.74
Amortisation	52.00	-	47.40	99.40
Foreign exchange translation	(0.20)	-	(0.17)	(0.37)
Disposal/retirements/derecognition	0.39	-	-	0.39
Accumulated amortisation as at 31 March 2019	**494.39**	**9.51**	**609.34**	**1,113.24**
Carrying amount as at 31 March 2019	**408.50**	**-**	**278.65**	**687.15**

3 Non-Current Investments

(Amount in ₹ million)

		31 March 2019	31 March 2018
	Investments (Unquoted)		
3A	**Investments in equity accounted investees**		
	Yantra Digital Services Private Limited (Refer note 44(2))	169.59	-
	5,400 equity shares of ₹ 10 each fully paid up		
	Less : Share of accumulated losses	169.59	-
		-	**-**
3B	**Investments in equity instruments of other entities measured at fair value through profit or loss**		
	Lithium Urban Technologies Private Limited	10.00	-
	10,000 Compulsorily Convertible Preference shares of ₹ 1,000 fully paid up		
	Munchner bank	0.39	-
	100 equity share of € 50 each fully paid up		
		10.39	**-**
		10.39	**-**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

4 Loans

(Unsecured, considered good with no significant increase in credit risk or credit impaired, unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans and advances to related parties (Refer note 37)		
Loan to Director	5.25	-
Loans and advances to other than related parties		
Security deposits	74.56	-
Loan to employees	5.19	-
	85.00	**-**

Note:

(i) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 31.

5 Other financial assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Fixed deposits with banks	15.64	-
Interest accrued on fixed deposits	1.39	-
	17.03	**-**

Note:

(i) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 31.

6 Deferred tax assets (net)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Deferred tax assets		
- Provision for doubtful debts and advances	14.11	-
- Provision for compensated abscences	33.59	-
- Provision for gratuity	18.40	-
- Others	11.39	-
- MAT credit entitlement	73.73	-
	151.22	**-**
Deferred tax liabilities		
- Excess of depreciation/amortisation on property, plant and equipment under income-tax law over depreciation/amortisation provided in accounts	96.40	-
- Forward contracts designated as cash flow hedges	9.64	-
- Others	1.06	-
	107.10	**-**
Net deferred tax asset	**44.12**	**-**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

7 Other non-current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Capital advances	8.55	-
Advance rentals	16.35	-
Others	17.99	-
	42.89	**-**

8 Inventories

(Valued at the lower of cost and net realisable value)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Raw materials	165.37	
Work-in-progress	7.86	
Finished goods	3.61	-
Stores and spares	3.10	-
	179.94	**-**

9 Current investments

(Amount in ₹ million)

	31 March 2019	31 March 2018
Investments in equity instruments of other entities measured at fair value through profit or loss (quoted)		
Shares of Birlasoft Limited (erstwhile KPIT Technologies Limited) held by KPIT Employee Welfare Trust	487.06	-
	487.06	**-**

10 Trade receivables

(Unsecured)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Receivables considered good	5,920.04	-
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	110.56	-
	6,030.60	**-**
Less: Allowances for bad and doubtful trade receivables	110.56	-
	5,920.04	**-**

Note:

(i) Information about the Group’s exposure to credit risk and liquidity risk is disclosed in note 31.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

11 Cash and bank balances

(Amount in ₹ million)

	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	0.02	-
Balances with banks		
- In current accounts	2,008.70	0.95
	2,008.72	**0.95**
Other bank balances	197.88	-
	2,206.60	**0.95**

Note:

(i) Information about the Group's exposure to credit risk and liquidity risk is disclosed in note 31.

12 Loans

(Unsecured, considered good with no significant increase in credit risk or credit impaired, unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans and advances to related parties (Refer note 37)		
Loan to Director	6.55	-
Loans and advances to other than related parties		
Other loans and advances		
Loan to employees	5.65	-
Security deposits	113.56	-
	125.76	**-**

Note:

(i) Information about the Group's exposure to credit risk and liquidity risk is disclosed in note 31.

13 Other current financial assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Interest accrued on fixed deposits	2.27	-
Forward contracts designated as cash flow hedges (Refer Note 31(3))	27.59	-
Receivable from related parties (Refer note 37)	2,145.76	-
Other receivables	1.25	-
	2,176.87	**-**

Note:

(i) Information about the Group's exposure to credit risk and liquidity risk is disclosed in note 31.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

14 Other current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Advance to suppliers	98.16	-
Employee advances		
Considered good	108.12	-
Considered doubtful	6.55	-
	114.67	**-**
Less: Provision for doubtful advances	6.55	-
	108.12	**-**
Balances with statutory authorities	153.97	-
Advance rentals	6.02	-
Others	130.69	-
	496.96	**-**

15 Equity share capital

(Amount in ₹ million)

	31 March 2019	31 March 2018
Authorised:		
300,000,000 (Previous year 25,000,000) equity shares of ₹ 10 each.	3,000.00	250.00
	3,000.00	**250.00**
Issued subscribed and fully paid up:		
268,502,435 (Previous year 100,000) equity shares of ₹ 10 each fully paid up	2,685.02	1.00
	2,685.02	**1.00**

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 ₹ 205.61 million i.e. ₹ 0.75 per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

15.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the period:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the period	100,000	1.00	100,000	1.00
Add: Issue of share capital pursuant to demerger scheme (Refer note 44(3))	274,143,808	2,741.43	-	-
Less : Shares held by employee welfare trust	5,641,373	56.41	-	-
Less: Cancellation of shares pursuant to demerger scheme (Refer note 44(3))	100,000	1.00	-	-
Outstanding at the end of the period	**268,502,435**	**2,685.02**	**100,000**	**1.00**

15.4 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10. Each shareholder of equity shares is entitled to one vote per share.

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	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	72,956,796	26.61%	-	0.00%
Birlasoft Limited (erstwhile KPIT Technologies Limited)	-	0.00%	99,994	99.99%
Proficient Finstock LLP	27,130,949	9.90%	-	0.00%

15.6 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.

15.7 Aggregate number of shares issued for consideration other than cash during the period of two years immediately preceeding the reporting date:

268,502,435 equity shares of ₹ 10 each have been fully paid up, pursuant to scheme of demerger (Refer note 44(3)).

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

16 Non-current borrowings

(Amount in ₹ million)

	31 March 2019	31 March 2018
Term loans		
- From banks (Secured)		
External Commercial Borrowing (ECB) (Refer note (i))	344.96	-
Other loan (Refer note (ii) & (iii) below)	9.09	-
- From other than banks (Refer note (iv) below)	16.88	-
	370.93	**-**

Notes:

(i) The ECB loan consists 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 carries interest rate of 6 months LIBOR + 160 basis points. The ECB loan is repayable in eight equal semi-annual installments of USD 2.5 million each, with a moratorium of 1 year, upto March 2021. The principal amount of loan outstanding as at 31 March 2019 is USD 10 million.

(ii) Other term loans from bank are secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 9.25 % p.a. and is repayable in equated monthly installments of ₹ 0.21 million each upto October 2020.

(iii) Other term loans from bank are secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of ₹ 0.15 million each upto July 2025.

(iv) Term loan from other than banks consist of unsecured loan, carrying interest rate of 3% p.a. The loan will be repaid upto October 2028.

(v) 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

(Amount in ₹ million)

	31 March 2019	31 March 2018
Other than trade payables		
Purchase consideration payable		
- MicroFuzzy Industrie-Elektronic GmbH	38.07	-
	38.07	**-**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

18 Long term provisions

(Amount in ₹ million)

	31 March 2019	31 March 2018
Provision for employee benefits		
- Compensated Absences	104.53	-
- Gratuity (Refer note 35(2))	183.46	-
Other provisions		
- Provision for warranty (Refer note 41(1))	0.16	-
	288.15	**-**

19 Deferred tax liabilities (net)

(Amount in ₹ million)

	31 March 2019	31 March 2018
Deferred tax liabilities		
- Excess of depreciation/amortisation on property, plant and equipment under income-tax law over depreciation/amortisation provided in accounts	0.66	-
Deferred tax liabilities	**0.66**	**-**

20 Current borrowings

(Amount in ₹ million)

	31 March 2019	31 March 2018
Loans repayable on demand		
- From banks		
Working capital loans from banks (secured) (Refer note (i) & (ii) below)	599.68	-
	599.68	**-**

Notes:

(i) The above loan includes the loan of USD 6.5 million, 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 1.95% p.a.

(ii) The above loan includes the loan of ₹ 150 million, secured by way of first charge by way of hypothecation of the Company's entire book debts, both present and future, on pari passu basis, carrying an interest rate of 8.55% p.a.

(iii) The unsecured loan from Birlasoft Limited (erstwhile KPIT Technologies Limited), carrying interest upto SBI Marginal Cost Base Lending Rate (MCLR) + 1%, has been repaid in full in March 2019.

(iv) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

21 Other current financial liabilities

(Amount in ₹ million)

	31 March 2019	31 March 2018
Current maturities of long term debt		
- from banks (secured)	349.54	-
(Refer note 16 - Term loan from banks for details of security and repayment terms)		
- from others	3.06	-
(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))	0.09	-
Other than trade payables :		
Purchase consideration payable		
- MicroFuzzy Industrie-Elektronic GmbH	230.44	-
Payable to Joint Venture (Refer Note 37)	0.89	-
Accrued employee costs	685.45	-
Payables in respect of fixed assets	75.52	-
Payable to related parties (Refer Note 37)	1,761.39	2.51
	3,106.38	**2.51**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

22 Other current liabilities

(Amount in ₹ million)

	31 March 2019	31 March 2018
Unearned revenue	580.34	-
Advances from customers	138.41	-
Statutory remittances	480.38	0.01
	1,199.13	**0.01**

23 Short-term provisions

(Amount in ₹ million)

	31 March 2019	31 March 2018
Provision for employee benefits		
- Compensated Absences	161.39	-
- Gratuity (Refer note 35(2))	48.55	-
Other provisions		
- Provision for warranty (Refer note 41(1))	13.36	-
	223.30	**-**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

24 Revenue from operations (Refer note 42)

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Software services	6,214.34	-
Sale of products		
Finished goods	198.22	-
	6,412.56	**-**

25 Other income

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Interest income	8.83	-
Dividend income from current investments (Refer note i below)	0.10	-
Profit on sale of fixed assets (net)	0.67	-
Gain on investments carried at fair value through profit or loss (Refer note ii below)	319.01	
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	26.79	-
	355.40	**-**

Notes:

(i) This represents the dividend income from investment during the year in Kotak Liquid Mutual Fund. This investment is sold during the year.

(ii) This represents the gain on fair valuation of shares in Birlasoft Limited (erstwhile KPIT Technologies Limited), held by KPIT Employee Welfare Trust.

26 Cost of materials consumed

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Inventory of materials at the beginning of the year	-	-
Purchases	280.91	-
Inventory of materials at the end of the year	165.37	-
	115.54	**-**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Finished goods		
Inventories at the beginning of the year	-	-
Inventories at the end of the year	3.61	-
	(3.61)	**-**
Work-in-progress		
Inventories at the beginning of the year	-	-
Inventories at the end of the year	7.86	-
	(7.86)	**-**
	(11.47)	**-**

28 Employee benefits expense

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Salaries, wages and incentives	3,515.02	-
Contribution to provident fund (Refer note 35(1))	38.06	-
Staff welfare expenses	14.43	-
	3,567.51	**-**

29 Finance costs

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Interest expense	69.37	-
	69.37	**-**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

30 Other expenses

(Amount in ₹ million)

	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Travel and overseas expenses (net)	185.37	-
Transport and conveyance (net)	35.75	-
Cost of service delivery (net)	713.95	-
Cost of professional sub-contracting (net)	276.92	-
Recruitment and training expenses	51.80	-
Power and fuel	19.03	-
Rent (Refer note 38(2))	99.24	-
Repairs and maintenance -		
- buildings	1.16	-
- plant & equipment	48.21	-
- others	6.83	-
Insurance	17.87	-
Rates & taxes	16.77	2.51
Communication expenses (net)	26.97	-
Legal and professional fees	77.01	0.15
Marketing expenses	19.37	-
Printing & stationery	1.32	-
Foreign exchange loss (net)	23.91	-
Auditors remuneration (net of taxes)		
- Audit fees (Refer note 2 below)	1.50	-
Bad debts written off	230.31	-
Provision for doubtful debts and advances (net)	(205.45)	-
Contributions towards corporate social responsibility (Refer note 44(6A))	1.35	-
Miscellaneous expenses	175.22	-
	1,824.41	**2.66**

Note

1. Certain expenses are net of recoveries/reimbursements from customers.
2. Audit fees exclude ₹ 4 million for audit of financial statements for the purpose of listing.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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:

(Amount in ₹ million)

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	-	-	497.45	-	-	497.45	497.45
Trade receivables	5,920.04	-	-	-	-	5,920.04	5,920.04
Cash and cash equivalents	2,008.72	-	-	-	-	2,008.72	2,008.72
Other balances with banks	197.88	-	-	-	-	197.88	197.88
Loans	210.76	-	-	-	-	210.76	210.76
Unbilled revenue	707.83	-	-	-	-	707.83	707.83
Derivative financial assets	-	-	-	-	27.59	27.59	27.59
Other financial assets	2,166.31	-	-	-	-	2,166.31	2,166.31
Total financial assets	**11,211.54**	**-**	**497.45**	**-**	**27.59**	**11,736.58**	**11,736.58**
Financial liabilities							
Borrowings	970.61	-	-	-	-	970.61	927.42
Trade payables	1,123.09	-	-	-	-	1,123.09	1,123.09
Other financial liabilities	2,875.94	-	268.51	-	-	3,144.45	3,144.45
Total financial liabilities	**4,969.64**	**-**	**268.51**	**-**	**-**	**5,238.15**	**5,194.96**

The carrying value and fair value of financial instruments by categories as on 31 March 2018 were as follows:

(Amount in ₹ million)

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							
Cash and cash equivalents	0.95	-	-	-	-	0.95	0.95
Total financial assets	**0.95**	**-**	**-**	**-**	**-**	**0.95**	**0.95**
Financial liabilities							
Trade payables	0.09	-	-	-	-	0.09	0.09
Other financial liabilities	2.51	-	-	-	-	2.51	2.51
Total financial liabilities	**2.60**	**-**	**-**	**-**	**-**	**2.60**	**2.60**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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, 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. Except for cash and cash equivalents, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2.

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 Lithium Urban Technologies Private Limited	10.00	-	-	10.00
Investment in equity instruments of other entities	0.39	-	-	0.39
Investment in Birlasoft Limited	487.06	487.06	-	-
Deferred consideration payable	268.51	-	-	268.51
Derivative financial assets	27.59	-	27.59	-
Borrowings	927.42	-	927.42	-

Reconciliation of fair value measurement for Level 3:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Unquoted investment in equity instruments classified as FVTPL (Level 3)		
Additions pursuant to the scheme of demerger	10.40	-
Deferred consideration payable	268.51	-
Exchange gain/(loss)	(0.01)	-
Closing during the period	**278.90**	**-**

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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Level 3:

Valuation techniques	Significant unobservable inputs
The valuation of deferred consideration and equity shares in Lithium Urban Technologies Private Limited consider the present value of expected cash flows, 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.

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 Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Group if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Group's receivables from customers amounting to ₹ 5,920.04 million and ₹ Nil, unbilled revenue amounting to ₹ 707.83 million and ₹ Nil and other current financial assets pertaining to receivables from related party amounting to ₹ 2,145.76 million and ₹ NIL 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.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables

Particulars	Amount (in ₹ million)
Balance as on 31 March 2018	-
Transfer pursuant to scheme of demerger	321.13
Impairment relating to entities jointly controlled by the Group	(38.06)
Reversal of impairment on account of collection	(33.06)
Utilisation of allowance	(134.17)
Foreign exchange translation	(5.28)
Balance as on 31 March 2019	**110.56**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Trade receivables that were not impaired (Ageing as per the due date of invoice raised in demerged undertaking and/or in the Company)

Particulars	Carrying amount	
	31 March 2019	31 March 2018
Neither past due nor impaired	4,597.87	-
Past due 1- 30 days	753.44	-
Past due 31 - 90 days	237.52	-
Past due 91 - 180 days	182.12	-
More than 180 days	149.09	-

Unbilled revenue is not outstanding for more than 90 days.

iii. Cash and bank balances

The Group held cash and bank balances of ₹ 2,206.60 million and ₹ 0.95 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. Other current financial assets

The Group is exposed to credit risk on receivables from related parties amounting to ₹ 2,145.76 million. The counterparty has a high credit rating of A+ for short term by CRISIL.

v. Guarantees

The Group's policy is to provide financial guarantees in routine course of business and on behalf of subsidiaries/joint ventures. The Group has issued the guarantee to certain financial institution in respect of credit facility granted to its joint venture. During the year, guarantee issued to the joint venture has been entirely provided for (Refer note 44(7)).

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:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents	2,008.72	0.95
Other balances with banks	197.88	-
Fixed deposits with banks (non-current portion) including interest accrued	19.30	-
Total	**2,225.90**	**0.95**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019:

(Amount in ₹ million)

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	970.61	1,012.98	626.46	365.82	8.36	12.34
Trade payables	1,123.09	1,123.09	1,123.09	-	-	-
Other financial liabilities	3,144.45	3,140.97	3,106.38	34.59	-	-

The following are the remaining contractual maturities of financial liabilities as on 31 March 2018:

(Amount in ₹ million)

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Trade payables	0.09	0.09	0.09	-	-	-
Other financial liabilities	2.51	2.51	2.51	-	-	-

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
Trade receivables	18.15	-	-	-	18.15
Other financial assets (including loan)	837.02	404.62	320.11	106.09	1,667.84
Borrowings	(1,139.97)	-	-	-	(1,139.97)
Trade payables	(28.59)	(18.61)	(1.96)	(1.81)	(50.97)
Other financial liabilities	(5.82)	(6.80)	-	(12.90)	(25.52)
Net assets/(liabilities)	**(319.21)**	**379.21**	**318.15**	**91.38**	**469.53**

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period 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 0.50% / (0.50)%.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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 (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	0.80	62.16	-	-
USD	8.95	619.08	-	-
GBP	0.30	27.14	-	-

The forward contracts have maturity between 30 days to 6 months from 31 March 2019.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2019
Additions pursuant to scheme of demerger	9.75
Gains/(losses) on changes in fair value of foreign exchange contracts recognised in other comprehensive income	12.59
Deferred tax on fair value of effective portion of cash flow hedges	(4.39)
Balance at the end of the period	**17.95**

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	236.16	-
Financial liabilities	632.95	-
Variable rate instruments		
Financial liabilities	690.35	-

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ 3.46 million.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

32 Segment Information

KPIT Technologies Limited (erstwhile KPIT Engineering Limited) provides embedded software for the Automobile and Mobility Industry. The customers in these verticals are located at US / Europe / APAC region. To enable the Company to serve their specific needs the Company has set up legal entities in the respective geographies. The business is structured in such a way that 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 each geography. The risk and rewards of the Company is directly affected by geographical location of its customers (i.e. place where its services are rendered). Decisions such as pricing, allocation of resources, allocation of assets etc. are taken based on opportunities in the respective geography. Since costs are incurred and accounted as per subsidiary set up and manpower skill sets are interchangeable bottom line performance is reviewed with Geography as primary indicator being dominant source of risk and return.

A) Geographical segments

Segment information is based on geographical location of customers.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred in India on behalf of other segments which are not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

		31 March 2019				31 March 2018			
		Americas	UK & Europe	Rest of World	Total	Americas	UK & Europe	Rest of World	Total
		₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million
a)	**Segment Revenue**								
	Revenue from External customers	3,406.52	1,755.55	2,752.64	7,914.71	-	-	-	-
	Less: Inter Segment Revenue	4.10	69.95	1,428.10	1,502.15	-	-	-	-
	Total Segment Revenue	3,402.42	1,685.60	1,324.54	6,412.56	-	-	-	-
b)	**Segment Results**	827.01	(80.55)	583.20	1,329.66	-	-	-	-
	Unallocated Corporate expenses (Net)				(573.37)				(2.66)
	Interest income				8.83				-
	Finance Cost				(69.37)				-
	Dividend income				0.10				-
	Gain on investments carried at fair value through profit or loss				319.01				-
	Exceptional Items				(342.91)				-
	Profit before share of equity accounted investees and tax				671.95				(2.66)
	Share of profit/(loss) of equity accounted investees (net of tax)				-				-

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

		31 March 2019				31 March 2018			
		Americas	UK & Europe	Rest of World	Total	Americas	UK & Europe	Rest of World	Total
		₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million
	Profit before tax				671.95				(2.66)
	Income Tax				(168.55)				-
	Deferred Tax				46.80				-
	Profit/ (Loss) after Tax				550.20				(2.66)
c)	**Allocated Segment Assets**	2,413.79	2,885.68	1,328.40	6,627.87	-	-	-	-
	Unallocated Segment Assets				3,260.55				-
	Unallocated Corporate Assets				6,853.13				0.95
	Total Assets				16,741.55				0.95
d)	**Allocated Segment Liabilities**	244.94	117.86	355.95	718.75	-	-	-	-
	Unallocated Segment Liabilities				5,417.53				-
	Unallocated Corporate Liabilities				970.61				2.61
	Total Liabilities				7,106.89				2.61
e)	Cost incurred during the period to acquire Segment Non-current Assets	-	-	-	-	-	-	-	-
f)	**Depreciation / Amortisation**				187.74				-
g)	Non cash expenses other than Depreciation / Amortisation				-				-

* 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.

B) Major customer

Revenue from one customer, ₹ 689.82 million (Previous year Nil), individually accounts for more than 10% of the Group's revenue.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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 (₹ million)	As % of consolidated profit or (loss)	Amount (₹ million)	As % of consolidated OCI	Amount (₹ million)	As % of consolidated TCI	Amount (₹ million)
A	**Parent Company:**								
	KPIT Technologies Limited	95.85%	9,234.73	135.31%	744.47	-113.89%	(27.71)	124.76%	716.76
	(A)		**9,234.73**		**744.47**		**(27.71)**		**716.76**
B	**Subsidiaries:**								
I	**Indian:**								
	Impact Automotive Solutions Limited	2.96%	285.39	-71.60%	(393.93)	-2.22%	(0.54)	-68.66%	(394.47)
II	**Foreign:**								
1	KPIT Technologies (UK) Limited	18.20%	1,753.47	-7.14%	(39.28)	3.29%	0.80	-6.70%	(38.48)
2	KPIT Technologies Inc	10.00%	963.07	23.42%	128.86	-5.80%	(1.41)	22.18%	127.45
3	KPIT Technologies Holding Inc.	12.20%	1,175.91	0.00%	-	0.00%	-	0.00%	-
4	KPIT (Shanghai) Software Technology Co. Limited, China	0.90%	86.37	-2.28%	(12.54)	0.41%	0.10	-2.17%	(12.44)
5	KPIT Technologies Netherlands B.V	1.22%	117.72	0.17%	0.95	-0.16%	(0.04)	0.16%	0.91
6	KPIT Technologies GK, Japan	1.28%	123.71	0.36%	1.96	0.25%	0.06	0.35%	2.02
7	KPIT Technologies GmbH, Germany	12.46%	1,200.80	-20.68%	(113.80)	18.04%	4.39	-19.04%	(109.41)
8	KPIT Technologies Pte Ltd.	-0.07%	(6.88)	-1.26%	(6.94)	0.25%	0.06	-1.20%	(6.88)
9	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil	0.15%	14.40	-0.30%	(1.64)	0.25%	0.06	-0.28%	(1.58)
10	MicroFuzzy Industrie-Elektronic GmbH	3.25%	312.74	12.13%	66.76	-10.56%	(2.57)	11.17%	64.19
	(B)		**6,026.70**		**(369.60)**		**0.91**		**(368.69)**
C	**Joint Venture:**								
	Yantra Digital Services Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	(C)		**-**		**-**		**-**		**-**
D	**Non-Controlling Interest**	0.41%	39.09	1.52%	8.34	-1.32%	(0.32)	1.40%	8.02
E	**Consolidation adjustments including intercompany eliminations**	-58.81%	(5,665.86)	30.35%	166.99	211.47%	51.45	38.02%	218.44
F	**Total (A+B+C+D+E)**		**9,634.66**		**550.20**		**24.33**		**574.53**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

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. Any surplus or shortfall on account of merger / demerger within common control is also transferred to capital reserve (Refer note 44(3)). This reserve is not available for distribution of dividend.

ii) General reserve

General reserve amounting to ` (113.92) million is transferred to the Company on account of composite scheme of arrangement - demerger scheme (Refer note 44(3)). The reserve pertains to General reserve amounting to ` (148.30) million of the subsidiary company and ` 34.38 million of the parent Company. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

iii) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

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 ₹ 38.06 million (Previous Year ₹ Nil)

2. Defined benefit plan

   i) Actuarial gains and losses in respect of defined benefit plans are recognized in Other Comprehensive Income.

   ii) The defined benefit plans 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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Present value of defined benefit obligation at the beginning of the period	-	-
Current service cost	6.32	-
Interest cost	3.77	-
Past service cost	-	-
Liability transferred on account of demerger (Refer note 44(3))	199.80	-
Actuarial loss / (gain) recognised in other comprehensive income		
a) changes in demographic assumptions	0.39	-
b) changes in financial assumptions	0.04	-
c) experience adjustments	24.62	-
Benefits paid	(2.92)	-
Present value of defined benefit obligation at the end of the period	232.02	-

(Amount in ₹ million)

Analysis of defined benefit obligation	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Present value of obligation as at the end of the period	232.02	-
Net (asset) / liability recognized in the Balance Sheet	232.02	-

(Amount in ₹ million)

Components of employer expenses/remeasurement recognised in the Statement of Profit and Loss	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Current service cost	6.32	-
Interest cost	3.77	
Expenses recognised in the Statement of Profit an Loss	10.09	-

(Amount in ₹ million)

Components of employer expenses/remeasurement recognised in the Other Comprehensive Income (OCI)	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Actuarial loss / (gain)	25.05	-
Net (income) / expense recognised in the OCI	25.05	-

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Actuarial Assumptions	For the year ended 31 March 2019
For Impact Automotive Solutions Limited	
Discount rate	7.07%
Salary escalation	5.00%
Attrition Rate	17.00%
For KPIT Technologies Limited	
Discount rate	7.07%
Salary escalation	5.00%
Attrition Rate	17.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (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:

(Amount in ₹ million)

Projected Benifit	March 2019		March 2018	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(8.52)	9.34	-	-
Future salary growth (1% movement)	9.44	(8.76)	-	-
Attrition rate (1% movement)	(0.12)	0.04	-	-

Maturity profile of defined benefit plan

(Amount in ₹ million)

Projected benefits payable in future years from the date of reporting	FY 2018-19	FY 2017-18
Within 1 year	48.55	-
1-2 year	31.67	-
2-3 year	31.05	-
3-4 year	36.13	-
4-5 year	24.26	-
5-10 years	82.93	-
Thereafter	69.86	-

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Weighted average assumptions used to determine net periodic benefit cost

Particulars	FY 2018-19	FY 2017-18
For Impact Automotive Solutions Limited		
Number of active members	43	-
Per month salary cost for all active members (₹ million)	0.82	-
Weighted average duration of the projected benefit obligation (years)	6.00	-
Average expected future service (years)	5.00	-
Projected benefit obligation (PBO)	1.74	-
For KPIT Technologies Limited		
Number of active members	5,793	-
Per month salary cost for all active members (₹ million)	117.43	-
Weighted average duration of the projected benefit obligation (years)	5.00	-
Average expected future service (years)	5.00	-
Projected benefit obligation (PBO)	230.27	-

36 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 ₹ 0.42 million (Previous year - ₹ Nil). Estimated interest due thereon is ₹ Nil (Previous year - ₹ Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹ Nil (Previous year - ₹ Nil). Interest paid thereon is ₹ Nil (Previous year - ₹ Nil) and the estimated interest due and payable thereon is ₹ Nil (Previous year - ₹ Nil).

c. The amount of estimated interest accrued and remaining unpaid as at 31 March 2019 is ₹ Nil (Previous year - ₹ Nil).

d. 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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

37 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
Direct subsidiaries			
1	KPIT Technologies (UK) Limited	United Kingdom	100
2	KPIT (Shanghai) Software Technology Co. Limited	China	100
3	KPIT Technologies Netherlands B.V	Netherlands	100
4	Impact Automotive Solutions Limited	India	100
5	KPIT Technologies Pte Ltd. (w.e.f 21 November 2018)	Singapore	100
6	KPIT Technologies Holding Inc. (w.e.f. 06 September 2018)	United States of America	100
7	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (w.e.f. 03 December 2018)	Brazil	99.9
8	KPIT Technologies GK	Japan	100
Indirect subsidiaries			
9	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100
10	KPIT Technologies Inc (Subsidiary of KPIT Technologies Holding Inc. w.e.f. 03 December 2018)	United States of America	100
11	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	87.5
Joint venture			
12	Yantra Digital Services Private Limited*	India	45

* The investee is an associate as defined under section 2(87) of the Companies Act, 2013. For the purpose of the consolidated Ind-AS financial statements, the entity has been considered as a Joint Venture as defined under Ind-AS 28 : Investments in Associates and Joint Ventures.

B. List of entities jointly controlled by a Group having joint control over the reporting entities

1	Birlasoft Limited (erstwhile KPIT Technologies Limited)	India
2	Birlasoft Solutions Inc. (erstwhile KPIT Infosystems Incorporated)	United States of America
3	KPIT Technologies France	France
4	Sparta Consulting Inc.	United States of America
5	Birlasoft Computer Corporation (erstwhile SYSTIME Computer Corporation)	United States of America
6	KPIT Infosystems ME FZE	United Arab Emirates

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

7	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation)	Canada
8	KPIT Technologies Solucoes Em Informatica Ltda	Brazil
9	KPIT Solutions GmbH	Germany
10	KPIT Infosystems Mexico, S.A. DE C.V. (w.e.f 25 October 2018)	Mexico
11	KPIT Infosystems Limited (UK) (w.e.f 18 April 2018)	United Kingdom

C. List of Key Management Personnel

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit	Executive Director (w.e.f. 16 January 2019)
	Mr. Kishor Patil	Executive Director (w.e.f. 16 January 2019)
	Mr. Sachin Tikekar	Executive Director (w.e.f. 16 January 2019)
	Mr. Anant Talaulicar	Independent Director (w.e.f. 16 January 2019)
	Mr. B V R Subbu	Independent Director (w.e.f. 16 January 2019)
	Prof. Alberto Sangiovanni Vincentelli	Independent Director (w.e.f. 16 January 2019)
	Dr. Klaus Blickle	Non-Executive Director (w.e.f. 16 January 2019)
	Mr. Nickhil Jakatdar	Independent Director (w.e.f. 16 January 2019)
	Ms. Shubhalakshmi Panse	Independent Director (w.e.f. 16 January 2019)
	Mr. Rohit Saboo	Nominee Director (w.e.f. 16 January 2019)
	Mr. Vinit Teredesai	Chief Financial Officer (w.e.f. 16 January 2019)
	Ms. Nida Deshpande	Company Secretary (w.e.f. 16 January 2019)

D. Transactions with related parties

<table>
<tr><th rowspan="2">No.</th><th rowspan="2">Name of Related party</th><th colspan="2">For the period from 1 April 2018 to 31 March 2019</th><th colspan="2">For the period from 8 January 2018 to 31 March 2018</th></tr>
<tr><th>Amount of transactions during the period (₹ million)</th><th>Balance as on 31 March 2019 Debit/(Credit) (₹ million)</th><th>Amount of transactions during the period (₹ million)</th><th>Balance as on 31 March 2018 Debit/(Credit) (₹ million)</th></tr>
<tr><td colspan="6">Transactions with related parties*</td></tr>
<tr><td>1</td><td>Birlasoft Limited (erstwhile KPIT Technologies Limited)</td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>Investment in equity</td><td>NIL</td><td rowspan="2">NIL</td><td>1.00</td><td rowspan="2">(1.00)</td></tr>
<tr><td></td><td>Cancellation of equity on account of demerger (Refer Note 44(3))</td><td>1.00</td><td>NIL</td></tr>
<tr><td></td><td>Loan taken</td><td>1,300.00</td><td rowspan="4">NIL</td><td>NIL</td><td rowspan="3">NIL</td></tr>
<tr><td></td><td>Interest expense</td><td>48.51</td><td>NIL</td></tr>
<tr><td></td><td>Loan Repayment (including interest)</td><td>1,343.66</td><td>NIL</td></tr>
<tr><td></td><td>Sales</td><td>148.17</td><td>NIL</td><td></td></tr>
</table>

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

No.	Name of Related party	For the period from 1 April 2018 to 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
	Software service charges	380.81	(130.12)	NIL	(2.51)
	Other transactions pertaining to customer/ vendor novation which are pending or completed post demerger scheme.	312.54		NIL	
	Advance received (net)	72.34		NIL	
	Reimbursement of expenses (net)	435.02		2.51	
2	**Birlasoft Solutions Inc., USA**				
	Sales	286.52	522.27	NIL	NIL
	Software service charges	154.68		NIL	
	Reimbursement of expenses (net)	188.48		NIL	
	Other transactions pertaining to customer/ vendor novation which are pending or completed post demerger scheme.	1,495.98		NIL	
3	**Sparta Consulting Inc., USA**				
	Payment towards purchase of investment in MicroFuzzy KPIT Tecnologia Ltda, Brazil	17.50	(8.85)	NIL	NIL
	Software service charges	3.21		NIL	
4	**Birlasoft Computer Corporation, USA**				
	Sales	1.05	(6.63)	NIL	NIL
	Software service charges	1.60		NIL	
5	**Birlasoft Technologies Canada Corporation**				
	Sales	6.55	0.35	NIL	NIL
	Software service charges	1.69		NIL	
	Other transactions pertaining to customer/ vendor novation which are pending or completed post demerger scheme.	(6.95)		NIL	
6	**KPIT Infosystems Limited (UK)**				
	Sales	27.65	(45.01)	NIL	NIL
	Reimbursement of expenses (net)	29.52		NIL	
	Advance given (net)	7.01		NIL	
	Other transactions pertaining to customer/ vendor novation which are pending or completed post demerger scheme.	(192.75)		NIL	

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

No.	Name of Related party	For the period from 1 April 2018 to 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
7	**KPIT Solutions GmbH**				
	Sales	3.81	50.32	NIL	NIL
	Reimbursement of expenses (net)	34.58		NIL	
8	**KPIT Infosystems ME FZE (Korea branch)**				
	Software service charges	2.14	(2.75)	NIL	NIL
	Sales	1.20		NIL	
9	**KPIT Infosystems ME FZE (Australia branch)**				
	Reimbursement of expenses (net)	1.09	4.79	NIL	NIL
Transactions with Key Management Personnel					
1	**Mr. S. B. (Ravi) Pandit**				
	Short term employee benefits	3.05	NIL	NIL	NIL
	Post employment benefit plans	0.34	NIL	NIL	NIL
	Reimbursement of Expenses	0.21	(0.08)	NIL	NIL
2	**Mr. Kishor Patil**				
	Short term employee benefits	3.02	NIL	NIL	NIL
	Post employment benefit plans	0.34	NIL	NIL	NIL
	Perquisites	0.10	NIL	NIL	NIL
	Repayment of loan granted	1.56	11.80	NIL	NIL
	Interest received	0.25		NIL	
	Reimbursement of expenses (net)	0.32	11.72	NIL	NIL
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	3.01	NIL	NIL	NIL
	Post employment benefit plans	0.11	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.05	(0.05)	NIL	NIL
4	**Mr. Anant Talaulicar**				
	Sitting Fees	0.02	NIL	NIL	NIL
5	**Mr. B V R Subbu**				
	Sitting Fees	0.02	NIL	NIL	NIL
6	**Mr. Shubhalakshmi Panse**				
	Sitting Fees	0.02	NIL	NIL	NIL

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

No.	Name of Related party	For the period from 1 April 2018 to 31 March 2019		For the period from 8 January 2018 to 31 March 2018	
		Amount of transactions during the period (₹ million)	Balance as on 31 March 2019 Debit/(Credit) (₹ million)	Amount of transactions during the period (₹ million)	Balance as on 31 March 2018 Debit/(Credit) (₹ million)
7	**Mr. Rohit Saboo**				
	Sitting Fees	0.02	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.06	NIL	NIL	NIL
8	**Mr. Vinit Teredesai**				
	Short term employee benefits	1.86	NIL	NIL	NIL
	Post employment benefit plans	0.06	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.21	NIL	NIL	NIL
9	**Ms. Nida Deshpande**				
	Short term employee benefits	0.42	NIL	NIL	NIL
	Post employment benefit plans	0.01	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.00	NIL	NIL	NIL
Transactions with relative of Key Management Personnel					
1	**Mr. Chinmay Pandit#**				
	Short term employee benefits	0.91	NIL	NIL	NIL
	Post employment benefit plans	0.03	NIL	NIL	NIL
	Reimbursement of expenses (net)	0.12	0.02	NIL	NIL
2	**Mrs. Jayada Pandit#**				
	Short term employee benefits	0.44	NIL	NIL	NIL
	Post employment benefit plans	0.01	NIL	NIL	NIL
Transactions with enterprise over which Key Management Personnel have significant influence					
1	**Kirtane & Pandit LLP**				
	Professional fees	0.20	0.02	NIL	NIL
Transactions with associate/joint venture					
1	**Yantra Digital Services Private Limited**				
	Investment in equity shares	NIL	33.97	NIL	NIL
	Sale of component	5.49	NIL	NIL	NIL
	Advance given	0.15	(0.89)	NIL	NIL
	Loan given (Provide for)	165.00	173.79	NIL	NIL
	Interest income on loan given	9.77		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 a result of demerger, the employees have been transferred from KPIT Technologies Limited (renamed as Birlasoft Limited) to the Company with effect from the appointed date as per the Composite Scheme i.e. January 1, 2019 and hence, above figures are reported for the period January 1, 2019 till March 31, 2019.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

38 Lease transactions

1) Finance leases

Pursuant to the scheme of demerger, the Group has received lease arrangements. It consist of vehicles under finance lease for a period of 4 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 received land pursuant to the scheme of demerger 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.

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Future minimum lease payments		
- Not later than one year	0.09	NIL
- Later than one year and not later than five years	NIL	NIL
- Later than five years	NIL	NIL
Total minimum lease payments	0.09	NIL
Amount representing future Interest	0.00	NIL
Present value of minimum lease payments	0.09	NIL
- Not later than one year	0.09	NIL
- 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 ₹ 389.07 million (31 March 2018 ₹ Nil).

2) Operating leases

Obligations towards non-cancellable operating leases:-

The Group has facilities and office premises on lease. The future lease payments for these facilities are as under:

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
Minimum lease payments		
- Not later than one year	290.66	NIL
- Later than one year and not later than five years	885.46	NIL
- Later than five years	792.82	NIL
Total minimum lease payments	1,968.94	NIL

Rental expenses of ₹ 99.24 million (Previous year ₹ Nil) 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.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

39 Basic and diluted earnings per share

Particulars		For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Nominal value per equity share	₹	10.00	10.00
Profit/(loss) for the period	₹ (million)	**541.86**	**(2.66)**
Weighted average number of equity shares	No. of shares	66,281,422	100,000
Earnings per share – basic	₹	**8.18**	**(26.60)**
Effect of dilutive potential equity shares -			
Weighted average number of diluted equity shares	No. of shares	66,491,739	100,000
Earnings per share – diluted	₹	**8.15**	**(26.60)**

40 The Company has received recognition from Department of Scientific and Industrial Research, Ministry of Science and Technology DSIR for its Research and Development (R&D) facility at its premise in Hinjawadi which is effective upto 31 March 2021. During the year, the R&D facility is approved for the purpose of section 35(2AB) of the Income Tax Act 1961 upto 31 March 2021.

Research and development expenditure debited to the Statement of Profit and Loss aggregating to ₹ 58.55 million (Previous year ₹ Nil) has been incurred by the Company and disclosed under appropriate account heads. Out of total R & D expenditure incurred during the year ₹ 37.53 million (Previous year ₹ Nil) is towards eligible R & D expenditure under section 35 (2AB).

Total capital expenditure on towards R & D facility is as follows, which is disclosed in respective fixed assets blocks:

(Amount in ₹ million)

Particulars	FY 2018-19
Building	NIL
Computers	NIL
Plant and Machinery	NIL
Office Equipments	0.12
Furniture and Fixtures	NIL

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

41 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:

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Carrying amount as at the beginning of the year	-	-
Addition pursuant to the scheme of demerger	12.20	-
Additional provision made during the year	1.32	-
Carrying amount at the end of the year	13.52	-

The warranty provision is expected to be utilized over a period of 1 year.

2. Contingent liabilities

A. Taxes and guarantees

(Amount in ₹ million)

Sr. No.	Particulars	As at 31 March 2019	As at 31 March 2018
1	Outstanding bank guarantees in routine course of business	186.57	NIL
2	Income tax matters	0.59	NIL

B. Other matters

Birlasoft Limited (erstwhile KPIT Technologies Limited) had made a disclosure on 14 September 2018, towards an update on lawsuit filed by Copart Inc. (“Copart”) against Sparta Consulting, Inc. (“Sparta”), Birlasoft Solutions Inc. (erstwhile KPIT Infosystems, Inc.) and Birlasoft Limited (erstwhile KPIT Technologies Limited). Post the jury verdict, both Sparta and Copart raised several issues for the Court. The Court has given a ruling on some of the issues, as a result of which Sparta’s net liability has been reduced from approximately USD 16 million to approximately USD 8 million. The ruling on other issues consisting largely of claims by Sparta against Copart is still awaited. Sparta would have a further right to appeal the Court’s Order. Sparta and Birlasoft Solutions Inc. continue to vigorously deny any and all wrong doing, and will continue to challenge the verdict as per legal advice.

As a part of merger and demerger scheme (Refer note 44(3)), where engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) has demerged into KPIT Engineering Limited (now KPIT Technologies Limited) as a resulting entity, legal liability/ recourse / proceedings, expenditure related to the legal proceedings and monetary benefits and reliefs, if any, relating to Copart will be with KPIT Technologies Limited (erstwhile KPIT Engineering Limited) or/and its subsidiaries.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

3. **Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for:

a. Property, plant and equipment - ₹ 38.04 million (Previous Year ₹ Nil)

b. Intangibles - ₹ 89.87 million (Previous Year ₹ Nil)

42 Revenue from operations

Revenues for the year ending 31 March 2019 are as follows:

Segment	(₹ million)
Product Engineering Services	5,739.59
Product Organization	584.74
Others	88.23
Grand Total	**6,412.56**

Company has started its operations during the year, hence there are no comparative numbers.

Disaggregate revenue information

The table below represents disaggregated revenues from contract with customers by geography and contract type for each of the business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors.

For the year ending 31 March 2019:

Geography	Product Engineering Services	Product Organization	Others	Total in ₹ million
Americas	3,169.64	136.35	88.23	3,394.22
UK & Europe	1,539.70	150.75	-	1,690.45
Rest of World	1,030.25	297.64	-	1,327.89
Total in ₹ million	**5,739.59**	**584.74**	**88.23**	**6,412.56**

Contract Type	Product Engineering Services	Product Organization	Others	Total in ₹ million
T&M Projects	3,395.74	90.22	85.68	3,571.64
Non T&M Projects	2,343.85	296.30	2.55	2,642.70
Sales from Manufacturing Unit/ Product sales	-	198.22	-	198.22
Total in ₹ million	**5,739.59**	**584.74**	**88.23**	**6,412.56**

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

The following table discloses the movement in unearned revenue during period ending 31 March 2019:

Particulars	₹ million
Acquired as a part of business combination	88.19
Add: Additions pursuant to scheme of demerger	374.64
Add: Invoiced during the period but not recognised as revenue	393.48
Less: Revenue recognised during the period	(275.97)
Balance at the end of the period	**580.34**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2019, other than those meeting the exclusion criteria mentioned above, is ₹ 1,573.26 million. Out of this, the Group expects to recognize revenue of around 84% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

The impact on account of applying the erstwhile Ind-AS 18 Revenue standard instead of Ind-AS 115 Revenue from contracts with customers on the Consolidated financial statements of the Group for the year ended 31 March 2019 is insignificant.

43 Income taxes

The income tax expense consists of following:

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Tax expense		
Current tax	168.55	-
Deferred tax (benefit)/charge	(46.80)	-
Total tax expense	**121.75**	**-**

The net charge relating to temporary differences during the year ended 31 March 2019 is primarily on account of property, plant & equipment and gratuity and leave encashment.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Profit/(loss) before tax	671.95	(2.66)
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	234.81	(0.93)
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax holiday, exemptions and deductions	(128.67)	-
Effect relating to prior years	(1.32)	-
Effect of permanent adjustments	(110.78)	-
Effect of differential overseas tax rates	(1.25)	-
Effect of unrecognized deferred tax assets	196.33	0.93
Others (net)	(67.37)	-
Total income tax expense	121.75	-

During the year ended 31 March 2019 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), which has been renewed upto March 2021. The weighted tax deduction is equal to 150% of such expenditures incurred. Also refer note 40.

Additionally, the Group benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ). Accordingly, units designated in SEZ are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Group expires in various years through fiscal year 2025. From 1 April 2011 units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Some subsidiaries of the Group have unabsorbed depreciation and losses under respective local tax laws and it is not probable that taxable profits will be available in the future. Hence, deferred tax assets on temporary differences have been recognized only to the extent of deferred tax liabilities. The amount of unrecognised deferred tax assets is ₹ 196.33 million (Previous year - ₹ 0.93 million).

Deferred tax

The gross movement in the deferred tax account for the period from 1 April 2018 to 31 March 2019:

(Amount in ₹ million)

Particulars	For the year ended 31 March 2019	For the period from 8 January 2018 to 31 March 2018
Credits / (charge) relating to temporary differences (net)	(26.94)	-
Temporary differences on other comprehensive income	(15.79)	-
Deferred tax asset transferred on account of demerger	12.95	-
MAT credit entitlement	73.73	-
Foreign exchange translation	(0.49)	-
Net deferred tax asset at the end	43.46	-

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

The deferred tax asset of ₹ 12.95 million corresponding to the tax base of assets and liabilities transferred to the resultant entity i.e. KPIT Technologies Limited (erstwhile KPIT Engineering Limited) under the scheme of demerger is recognized during the year ended on 31 March 2019. The net charge relating to temporary differences during the year 31 March 2019 are primarily on account of provision for doubtful debts & bad debts, provision for gratuity and property, plant & equipment.

44 Other disclosures and explanatory notes

1 Disclosure of financial information of subsidiaries with material non-controlling interest

The interest that non-controlling interest have in the Group's activities and cash flows:

A. Proportion of equity interest held by non-controlling interest

Particulars	Country of incorporation and operation	31 March 2019
MicroFuzzy Industrie-Elektronic GmbH	Germany	12.50%

B. Details of non-controlling interest

(Amount in ₹ million)

Particulars	31 March 2019
Accumulated balance of non-controlling interest	39.09

C. Summarised balance sheet (before inter-company eliminations)

(Amount in ₹ million)

Particulars	31 March 2019
Non-current assets	137.30
Cash and cash equivalents	35.79
Current assets (excluding cash and cash equivalents)	639.82
Total	**812.91**
Trade payables	300.88
Current liabilities (excluding trade payables)	199.28
Total	**500.16**
Total equity	**312.75**
Attributable to:	
Owners of the Group	**273.66**
Non-controlling interest	**39.09**

2 Disclosure of interest in joint arrangement and associate

Pursuant to the scheme of demerger of engineering business, the Group had the investment of 58.34% in Yantra Digital Services Private Limited, a non-listed company based in Mumbai, India. In February 2019, the Company has sold its 13.34% stake, resulting into decrease in the investment at 45% as on the reporting date. The investee is a joint venture of the Company in which it has joint control. Investee is engaged in providing the wifi based entertainment in public transport.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

A. Summarised balance sheet

(Amount in ₹ million)

Particulars	31 March 2019
Non-current assets	2.94
Cash and cash equivalents	0.96
Current assets (excluding cash and cash equivalents)	75.94
Total	**79.84**
Trade payables	17.75
Current liabilities (excluding trade payables)	103.60
Total	**121.35**
Total equity	(41.51)
The Group's share in equity	(18.68)
Carrying amount of the investment (investment of ₹ 169.59 million less share of accumulated losses of ₹ 169.59 million)	-

B. Reconciliation of carrying amount of investment

(Amount in ₹ million)

Particulars	31 March 2019
Transfer on account of demerger	169.59
Share of accumulated losses	169.59
Carrying amount of investment	**-**

3 Scheme of arrangement

The Board of Directors of KPIT Technologies Limited (now known as Birlasoft Limited) at its meeting held on 29 January 2018 had approved a Composite Scheme which was subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited ("Birlasoft" or "Transferor Company") with KPIT Technologies Limited ("KPIT" or "Transferee Company" or "Demerged Company"); and (b) demerger of the engineering business of KPIT Technologies Limited into KPIT Engineering Limited ("Resulting Company").

Pursuant to the Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 for which the certified copy of the order was received on 18 December 2018, the 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 1 January 2019, the appointed date.

Shareholders of the Transferor Company will receive 22 equity shares of the Transferee Company for every 9 shares they hold in the Transferor Company. After the demerger of KPIT's engineering business, shares of the Resulting Company will be listed and shareholders of the Demerged Company will receive 1 share of the Resulting Company for every 1 share they hold in the Demerged Company. After the demerger, the

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

Demerged Company will have a combined business of KPIT IT Services and the current Birlasoft creating a new leader in the mid-tier IT services space. Whereas the Resulting Company will have 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 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 these financial statements as on the appointed date.

Pursuant to the approved Composite Scheme, the Resulting Company shall account 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:

1. Assets, Liabilities and Reserves of the Demerged Undertaking transferred to and vested in the Resulting Company shall be recorded at their carrying values as appearing in books of the Demerged Company at the time of the demerger effective date and in accordance with requirements of relevant Ind AS.
2. The Resulting Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to the Composite Scheme to the shareholders of the Demerged Company.
3. Subsequent to the demerger, the pre demerger shares of the Resulting Company held by the Demerged Company shall be cancelled and appropriately adjusted with share capital/share premium of the Resulting Company.
4. The inter-company balances between the Demerged Company and the Resulting Company relating to Demerged Undertaking, if any, in the books of accounts of the Demerged Company and the Resulting 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 Demerger by the Resulting Company shall be adjusted in capital reserves of Resulting Company.
6. The Company is in the process of transferring the title of the assets and liabilities received under the scheme of demerger as on the reporting date.
7. As per para 43 of Ind-AS 7 - Statement of Cash Flows, transactions that do not require the use of cash and cash equivalents (i.e. the above transfer of assets and liabilities under the scheme of demerger) have been excluded from the consolidated cash flow statement.

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

The details of Demerged Undertaking as per the scheme approved by National Company Law Tribunal into Resulting Company is as follows:

(Amount in ₹ million)

Particulars	1 January 2019
ASSETS	
Non-current assets	
Property, plant and equipment	2,442.17
Capital work-in-progress	7.13
Other intangible assets	667.02
Intangible assets under development	18.63
Financial assets	
Investments	2,454.59
Loans	191.85
Other non-current assets	25.76
	5,807.15
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
	5,255.17
Total assets	**11,062.32**
EQUITY AND LIABILITIES	
Equity	
Other equity	3,573.15
Total equity	**3,573.15**
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	548.92
Provisions	201.88
Deferred tax liabilities (net)	30.48
	781.28

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars	1 January 2019
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	**6,142.19**
Excess of assets over liabilities	4,920.13
Less: Issue of equity share capital of the Company as consideration (Refer note 15)	2,741.43
Add: Cancellation of existing share capital of the Company (Refer note 15)	1.00
Amount credited to capital reserve pursuant to the above scheme of arrangement	**2,179.70**

Note:

The above assets, liabilities and reserves are for the standalone company. Accordingly, Other equity:

(a) includes the below identified reserves transferred on account of demerger of standalone company:

- General reserve amounting to ₹ 34.38 million
- Remeasurement of the net defined benefit Plans amounting to ₹ (44.16) million
- Effective portion of cash flow hedges amounting to ₹ 9.75 million
- Retained earnings amounting to ₹ 3,573.18 million

(b) excludes ₹ 188.91 million with respect to KPIT Employee Welfare Trust.

(c) excludes the below reserves of subsidiary entities which have been transferred under the Scheme of Demerger:

- General reserve amounting to ₹ (148.30) million
- Remeasurement of the net defined benefit Plans amounting to ₹ (1.10) million
- Retained earnings amounting to ₹ 962.48 million

Notes forming part of the consolidated financial statements
for the year ended on 31 March 2019

4 On 03 December 2018, the Group through KPIT Technologies Holding Inc., USA has purchased 100% stake in KPIT Technologies Inc, USA, an Engineering services company, from KPIT Infosystems Incorporated, USA. KPIT Technologies Inc, USA is engaged in providing embedded software for the Automobile and Mobility Industry.

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 (₹ million)
Net identifiable assets acquired	697.35
Cash consideration transferred	857.72
Excess of consideration over net assets acquired transferred to reserves	**(160.37)**

5 On 03 December 2018, the Group through KPIT Technologies Limited (erstwhile KPIT Engineering Limited) and KPIT Technologies Holding Inc., USA has purchased stake of 99.9% and 0.1% in MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil, an Engineering services company, from SYSTIME Computer Corporation, USA and KPIT Technologies Corporation, Canada respectively. MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil is engaged in providing embedded software for the Automobile and Mobility Industry.

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 (₹ million)
Net identifiable assets acquired	13.44
Cash consideration transferred	17.50
Excess of consideration over net assets acquired transferred to reserves	**(4.06)**

6A The Company was required to spend ₹ Nil towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹ 1.35 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. Also, refer Annexure 7 of the Director's Report.

6B Previous period's figures have been regrouped / reclassified wherever necessary to conform with the current year's classification / disclosure. The Company had no subsidiaries, joint ventures or associates as at 31 March 2018 and further consequent to the Composite Scheme, as aforesaid, the previous period's figures are not comparable with the current year's figures.

6C 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.

7 In line with its re-defined strategy to focus on software led Engineering Services, the Company on prudent assessment has provided for exposure in its joint venture company in the business in "KIVI-Smart Bus WIFI" towards debtors amounting to ₹ 67.73 million, loan for ₹ 173.78 million and the Corporate Guarantee for lease obligation towards running this business for ₹ 101.40 million.

8 In accordance with the terms of the Composite Scheme, the Company is required to issue the stock options in the Company to the employees holding options of the Demerged Company. However, as at 31 March 2019, pending administrative process, such options were not issued by the Company.

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 15 May 2019

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
(erstwhile KPIT ENGINEERING LIMITED)
CIN: U74999PN2018PLC174192

Vinit Teredesai
Chief Financial Officer

S. B. (Ravi) Pandit
Chairman & Group CEO
DIN : 00075861

Nida Deshpande
Company Secretary

Kishor Patil
CEO & Managing Director
DIN : 00076190

Place: Pune
Date: 15 May 2019

KPIT's global presence

India offices

Registered & Corporate Office

Plot 17, Rajiv Gandhi Infotech Park,
MIDC-SEZ, Phase - III, Maan, Taluka - Mulshi,
Hinjawadi, Pune 411057.
Phone: +91-20-6770 6000/6500

Software Development Centres

SEZ Premises

SEZ Unit - I, IT - 3, 3rd Floor, Plot 154/6,
Quibix, Blueridge Township,
MIDC, Phase - I, Hinjawadi,
Pune - 411057, Maharashtra, India.
Phone: +91-20-4203 7000

SEZ Unit - III, IT - 9, Ground & First Floor,
Plot 2, Blueridge Township,
MIDC, Phase - I, Hinjawadi,
Pune - 411057, Maharashtra, India.
Phone: +91-20-4203 7000

No. 20 & 21,
RMZ Ecoworld Infrastructure Private Limited - SEZ,
Sarjapur Outer Ring Road,
Deverabeesanahalli,
Bengaluru – 560103,
Karnataka, India.
Phone: +91- 80-6606 6000

Unit – II, Plot B, Campus 5B, 9th Floor,
RMZ Ecoworld Infrastructure Private Limited, SEZ,
Devarabeesanahalli Village, Sarjapur Outer Ring Road,
Bengaluru - 560103, Karnataka, India.
Phone: +91-80-6606 6262

STPI Premises

GGR TOWERS, Unit – II,
Ground Floor, "Right Wing" Sy#18/2b,
Ambalipura Village, Sarjapur Road,
Bellandur gate, Bengaluru East Taluk,
Bengaluru - 560103, Karnataka, India.
Phone: +91-80-6606 6202

GGR TOWERS, Unit – II,
Ground Floor, "Left Wing" Sy#18/2b,
Ambalipura Village, Sarjapur Road,
Bellandur Gate, Bengaluru East Taluk,
Bengaluru - 560103, Karnataka, India.
Phone: +91-80-6606 6202

Other Premises

Plot 2, Survey. No. 288,
Hissa No. 1 to 4, Village Maan,
Taluka Mulshi, Pune - 411057, Maharashtra, India.
Phone: +91-20-6770 6000

Research and Development Unit

Plot 17, Rajiv Gandhi Infotech Park,
MIDC-SEZ, Phase - III, Maan, Taluka - Mulshi,
Hinjawadi, Pune 411057.
Phone: +91-20-6770 6000/6500

Overseas offices

United States of America

28001 Cabot DR, Suite 110
Novi, MI 48377,
United States of America.
Phone: +248-215-0304

Brazil

Rua James Watt, 84 – 8º andar – sala 2 - Jardim Edith
CEP 04576-050 – São Paulo / SP – Brasil.
Phone: +55-11-3664 9918

United Kingdom

Coventry University Technology Park
Puma Way
Coventry CV1 2TT.
Phone: +44-24-7615 8631

Sweden

C/o BTR Accounting Services AB
Grev Turegatan 21
114 38 Stockholm.
Phone: +44-118-934-5656
Fax: +44-118-934-1165

Germany

Adams-Lehman-Str. 109,
80797 Munich, Germany.
Phone: +49-89-3229-9660
Fax: +49-89-3229-9669 99

Taunusstr. 38
80807 Munich, Germany
Phone: +49-89-1890-874-70
Fax: +49-89-1890-874-90

The Netherlands

Westerdoksdijk 423,
1013 BX, Amsterdam,
The Netherlands.
Phone: +31-0204190779

China

1603-1604, Tower B,
Central Towers,
567 Langao Road,
Shanghai 200333, PRC.
Phone: +86-21-5631-5785
Fax: +86-21-5631-3925

Japan

Senikaikan 5F,
3-1-11 Nihonbashi-Honcho Chuo-ku,
Tokyo, Japan 103-0023
Phone: +03-6913-8501
Fax: +03-5205-2434

Singapore

9 Raffles Place
#27-00 Republic Plaza
Singapore 048619.

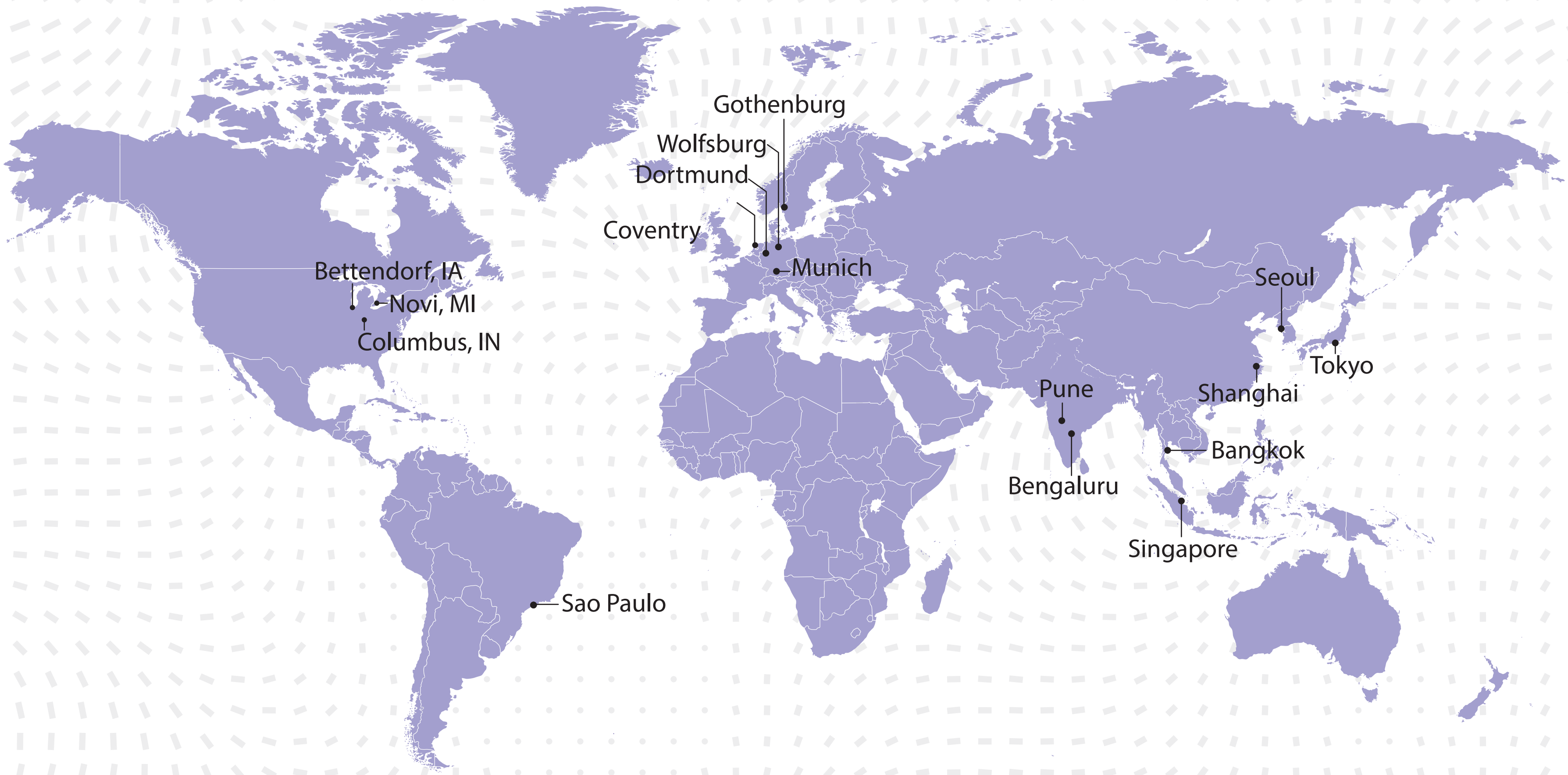
South Korea

A-410-1, SAMHWANHIPEX, Sampyung-Dong,
240, Pangyoyeok-ro,
Budang-gu, Seongnam-si,
Gyeonggi-do 13493, Korea.
Phone: +82-31-606-9996

Italy

Galleria Pattari,
2 (Piazza Duomo) 20122,
Milan, Italy.
Phone: +44-118-934-5656
Fax: +44-118-934-1165

KPIT Global Footprint



With development centers in Europe, USA, Japan, China, Thailand and India –
KPIT is working with leaders in mobility and is present where the ecosystem is transforming.
The above map locates KPIT’s development centers and offices across the globe.

Notice

NOTICE is hereby given that the Second Annual General Meeting of KPIT Technologies Limited will be held on Wednesday, August 28, 2019, at 10.30 a.m., at "Vivanta Pune", Xion Complex, Hinjawadi Road, 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 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.
   [The Board has recommended dividend at ₹ 0.75 per equity share of ₹ 10/- each (at 7.5%)].

4. To appoint a Director in place of Mr. S. B. (Ravi) Pandit (DIN: 00075861), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 196, Section 197, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, approval be and is hereby accorded for the appointment of Mr. S. B. (Ravi) Pandit (DIN: 00075861) as a Chairman and Executive Director of the Company with effect from January 16, 2019, for a period ending March 28, 2020 and thereafter as a Chairman and Non-Executive Director on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. S. B. (Ravi) Pandit.

   RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. S. B. (Ravi) Pandit as set out in the Explanatory Statement annexed to the Notice and the Board of Directors of the Company be and is hereby authorized to revise the said remuneration from time to time subject to the provisions of Section 197 and Schedule V of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force.

   RESOLVED FURTHER THAT Mr. S. B. (Ravi) Pandit shall continue to be liable to retire by rotation and this appointment shall be subject to his continuance as a director of the Company during his tenure and shall ipso facto terminate, if he ceases to be director of the Company for any reason whatsoever.

   RESOLVED FURTHER THAT Mr. S. B. (Ravi) Pandit shall continue to hold his office of Executive Director and such appointment as such director shall not be deemed to constitute break in his appointment as Chairman and Executive Director.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 196, Section 197, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, approval be and is hereby accorded for the appointment of Mr. Kishor Patil (DIN: 00076190) as Chief Executive Officer (CEO) & Managing Director of the Company for a period of five years with effect from January 16, 2019, on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Kishor Patil.

RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Kishor Patil as set out in the Explanatory Statement annexed to the Notice and the Board of Directors of the Company be and is hereby authorized to revise the said remuneration from time to time subject to the provisions of Section 197 and Schedule V of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force.

RESOLVED FURTHER THAT Mr. Kishor Patil shall continue to be liable to retire by rotation and this appointment shall be subject to his continuance as a director of the Company during his tenure and shall ipso facto terminate, if he ceases to be director of the Company for any reason whatsoever.

RESOLVED FURTHER THAT Mr. Kishor Patil shall continue to hold his office of CEO & Managing Director and such appointment as such director shall not be deemed to constitute break in his appointment as a CEO & Managing Director.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 196, Section 197, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, approval be and is hereby accorded for the appointment of Mr. Sachin Tikekar (DIN: 02918460) as Whole-time Director of the Company for a period of five years with effect from January 16, 2019, on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Sachin Tikekar.

RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Sachin Tikekar as set out in the Explanatory Statement annexed to the Notice and the Board of Directors of the Company be and is hereby authorized to revise the said remuneration from time to time subject to the provisions of Section 197 and Schedule V of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force.

RESOLVED FURTHER THAT Mr. Sachin Tikekar shall continue to be liable to retire by rotation and this appointment shall be subject to his continuance as a director of the Company during his tenure and shall ipso facto terminate, if he ceases to be director of the Company for any reason whatsoever.

RESOLVED FURTHER THAT Mr. Sachin Tikekar shall continue to hold his office of Whole-time Director and such appointment as such director shall not be deemed to constitute break in his appointment as a Whole-time Director.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Anant Talaulicar (DIN: 00031051), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five years from January 16, 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

9. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. B V R Subbu (DIN: 00289721), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five years from January 16, 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

10. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Prof. Alberto Sangiovanni Vincentelli (DIN: 05260121), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five years from January 16, 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

11. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nickhil Jakatdar (DIN:05139034), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five years from January 16, 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

12. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Shubhalakshmi Panse (DIN: 02599310), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of five years from January 16, 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

13. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rohit Saboo (DIN: 00086846), 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 Nominee Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby authorized, to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

14. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and 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 2018-19, of such an aggregate amount not exceeding one percent (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 the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

15. **To consider and if thought fit, to pass with or without modification(s), the following as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modifications and re-enactments thereof, consent of the Company be and is hereby accorded to Mr. Chinmay Shashishekhar Pandit, a relative of Mr. S. B. (Ravi) Pandit, Chairman and Executive Director of the Company, to hold an office or place of profit in the Company as Head-Commercial Vehicle, or such other post as he may be promoted hereafter, in the Company, at a remuneration upto ` 125 lacs per annum inclusive of salary, allowances, perquisites, benefits, amenities, but exclusive of variable performance incentives per annum and increment as per the policy of the Company as applicable to the other employees in his grade with effect from August 28, 2019 and the Board of Directors may alter and, subject to the limit on the remuneration stated above, vary the said terms and conditions of the appointment in such manner as may be agreed to between the Board of Directors and Mr. Chinmay Pandit.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take such steps as may be necessary and desirable to give effect to this resolution."

16. **To consider and if thought fit, to pass with or without modification(s), the following as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modifications and re-enactments thereof, consent of the Company be and is hereby accorded to Ms. Jayada Chinmay Pandit, a relative of Mr. S. B. (Ravi) Pandit, Chairman and Executive Director of the Company, to hold an office or place of profit in the Company as Manager-Business Unit Marketing or such other post as she may be promoted hereafter, in the Company, at a remuneration upto ` 45 lacs per annum inclusive of salary, allowances, perquisites, benefits, amenities, but exclusive of variable performance incentives per annum and increment as per the policy of the Company as applicable to the other employees, in her grade with effect from August 28, 2019 and the Board of Directors may alter and, subject to the limit on the remuneration stated above, vary the said terms and conditions of the appointment in such manner as may be agreed to between the Board of Directors and Ms. Jayada Pandit.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take such steps as may be necessary and desirable to give effect to this resolution."

By Order of the Board of Directors
For **KPIT Technologies Limited**
(Formerly KPIT Engineering Limited)

Pune
May 15, 2019

Nida Deshpande
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.

2. 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 annexed to this this Notice. Further, the Company has uploaded the above route map on its website at (https://www.kpit.com/investors/#corporate-governance).

3. 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.

4. 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.

5. During the period beginning 24 hours before the time fixed for the commencement of the Annual

General Meeting ("AGM" or "the 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.

6. Proxies are requested to bring their valid photo identity proof and duly completed Attendance Slip at the meeting.

7. The Company has fixed **Wednesday, August 21, 2019** as the Record Date for determining entitlement of members to final dividend for the financial year ended March 31, 2019.

8. 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 Karvy Fintech Private Limited (Formerly known as KCPL Advisory Services P Ltd.) (Attention - Mr. S V Raju) Karvy Selenium Tower B, Plot no. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telephone: +91-40-6716 2222, E-mail: einward.ris@karvy.com. Members holding shares in dematerialized form are requested to notify change in address, if any, to their respective Depository Participants (DPs).

9. 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 vinit.teredesai@kpit.com or to the secretarial department at grievances@kpit.com so as to reach them at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.

10. 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.

11. 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.

12. 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 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.

13. 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. The authorized representatives are requested to bring the duly completed Attendance Slip at the meeting.

14. Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose email addresses are registered with the 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 https://www.kpit.com/investors/#corporate-governance.

15. Documents, if any, referred to in any item of business herein above will be available for inspection at the Company's registered office on all working days, except Saturday and holidays during 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting and will be made available at the meeting.

16. 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 Ms. Varsha Aswani at Varsha.aswani@kpit.com at +91-20-6770 6000 Extn:- 6966.

17. Pursuant to the provisions of Section 108 of the Companies Act, 2013, the Rules made thereunder and Regulation 44 of the SEBI (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.

18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and 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/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

[As required by Section 102 of the Companies Act, 2013 (the Act) and pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 16 of the accompanying the Notice]

Item No. 4 & 5

Mr. S. B. (Ravi) Pandit, aged 69 years, holds a Master's Degree in Management from Sloan School of Management, MIT, Cambridge, USA. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants of India. He was the President of the Mahratta Chamber of Commerce, Industries and Agriculture during 2004-2006. He has been awarded the Rotary Excellence Award for exemplary leadership and outstanding performance and honored with the Maharashtra Corporate Excellence (MAXELL) Awards for Excellence in Entrepreneurship and for his contribution to the economic and industrial development of Pune City. He possesses experience of 44 years.

Mr. Pandit is a Co-founder, Chairman and Group CEO of KPIT Technologies Limited. His vision as the founder has steered KPIT towards achieving leadership position as product engineering and IT consulting solutions and services provider, to three industries namely automotive & transportation, manufacturing and energy & utilities. He has been instrumental in shaping KPIT's vertical focus strategy and building a unique partnership model based on the tenets of innovation and sustainable development. The Company proposes to continue to draw on his visionary leadership qualities and towards this end, the Board of Directors of the Company appoint him as a Chairman & Executive Director (Whole-time Director) of the Company with effect from January 16, 2019 for a period ending on March 28, 2020 and thereafter as Chairman & Non-Executive Director of the Company. Mr. Pandit continues to be the Chairman of the Board of Directors.

Brief terms and conditions of appointment of Mr. S. B. (Ravi) Pandit are given below:

(a) Mr. S. B. (Ravi) Pandit shall be paid basic salary, perquisites and allowances in the range of ` 109.87 lacs per annum to ` 220.99 lacs per annum. Within this range, the aggregate of basic salary, perquisites and allowances may be revised by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time, subject to maximum annual increase of 15% over the basic salary, perquisites and allowances for the previous year.

(b) Variable incentive of such amount as may be decided by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time subject to the prescribed limit given under Section 196, Section 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

(c) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. S. B. (Ravi) Pandit, shall not be in excess of 2.5% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Companies Act, 2013) and payment of remuneration shall not be in excess of 5% of the Net Profit of the Company to all Executive Directors of the Company for each of the financial years from 2018-19 and onwards with effect from January 16, 2019 for a period of five years.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2019:

Directorships:

Name of the Company	Designation
Thermax Limited	Director
K and P Management Services Private Limited	Director
Kirtane Pandit Consulting Private Limited	Director
KP Capital Advisors Private Limited	Director
Kirtane Pandit Foundation Private Limited	Director
KP Corporate Solutions Limited	Director

Membership:

Name of the Company	Name of the Committee	Chairman/ Member
Thermax Limited	Corporate Social Responsibility Committee	Member
	Stakeholder Relationship Committee	Member

Mr. Pandit has been a Director on our Board since incorporation and appointed as Executive Director (Whole- time Director) since January 16, 2019 for a period of five years subject to retirement by rotation. During the financial year 2018-19, the Company paid ` 34.00 lacs to Mr. Pandit towards remuneration.

Mr. Pandit attended all 6 meetings of Board of the Company during the year.

Mr. Pandit holds 4,30,500 equity shares in the Company as on March 31, 2019.

If the Company incurs a loss or its profits are inadequate in any financial year during the tenure of Mr. S. B. (Ravi) Pandit, he may be paid such minimum remuneration as determined by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors, within the limits laid down in Section II, Part II of Schedule V of the Companies Act, 2013. In such a case, the following perquisites shall not be included in the computation of the ceiling on remuneration in case the Company has inadequate profits or loss in that financial year.

(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

(c) encashment of leave at the end of the tenure.

Particulars as per Section II of Part II of Schedule V of the Companies Act, 2013 are given below:

I. General Information:

1. Nature of industry:

The Company is in the business of providing engineering solutions, specialized in embedded software, Artificial Intelligence (AI) & Digital Solutions in automobile industry and mobility.

2. Financial performance based on given indicators

Please refer to Financial Statements attached to this notice.

3. Foreign investments or collaborations, if any: Nil

II. Information about the appointee:

1. Background details:

Please refer to opening paragraphs in this item for these details.

2. Past remuneration:

During the financial year 2018-19, the Company paid ` 34.00 lakhs to Mr. S. B. (Ravi) Pandit.

3. Recognition or awards:

a) **Honored with Maharashtra Corporate Excellence (MAXELL) Awards** for Excellence in Entrepreneurship and for his contribution to the economic and industrial development of Pune City.

b) **Honored with the J Irwin Miller Award of Excellence by Cummins** for his commitment to conducting business in an ethical manner and for the value KPIT partnership has brought to Cummins.

c) Conferred with the prestigious **Samata Award** by the Akhil Bhartiya Mahatma Phule Samata Parishad for his contribution to the economic and industrial development of Pune City.

d) Awarded the prestigious **Rotary Excellence Award for exemplary leadership and outstanding performance**, by a chapter in Pune.

4. Job profile and his suitability:

It is proposed to appoint Mr. S. B. (Ravi) Pandit as a Chairman and Executive Director and Mr. Pandit will be responsible for the general oversight of the business of the Company and oversight of the board processes. The appointment as a Chairman & Executive Director (Whole-time Director) of the Company with effect from January 16, 2019 for a period ending on March 28, 2020 and thereafter as Chairman & Non-Executive Director of the Company. Mr. Pandit continues to be the Chairman of the Board of Directors. The previous paragraphs contain information on the suitability of Mr. S. B. (Ravi) Pandit for the appointment.

5. Remuneration proposed:

a) <u>Fixed remuneration:</u> Range of ` 109.87 lacs per annum to ` 220.99 lacs per annum over the tenure.

b) <u>Variable remuneration:</u> As fixed by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors from time to time subject to the prescribed limit given under Section 196, Section 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

c) <u>Total remuneration:</u> Subject to an overall ceiling of 10% the net profits of the Company for all the Executive Directors.

d) <u>Perquisites and other details:</u> Please refer to previous paragraphs in this item of business.

6. Comparative remuneration profile with respect to industry, size of the company, profile of position and person:

The comparative remuneration in the Engineering Industry for companies with revenues in the range of ` 15,969 Mn to ` 94,458 Mn for the position of a Chairman & Executive Director (Whole-time Director) ranged from ` 21.79 Mn to ` 81.12 Mn for the year 2018-19.

7. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:**

   Please refer Note No. 34 to the standalone financial statements attached.

III. Other information:

1. **Reasons of loss or inadequate profits:** Not applicable.
2. **Steps taken or proposed to be taken for improvement:** Not applicable.
3. **Expected increase in productivity and profits in measurable terms:** Not applicable.

The agreement will be entered into between the Company and Mr. S. B. (Ravi) Pandit and the draft agreement will be available for inspection at the registered office of the Company from Monday to Friday, between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

As per the provisions of Section 196 and 197 of the Companies Act, 2013 the appointment of a Whole-time Director shall be approved by the members at a general meeting of the Company.

Mr. S. B. (Ravi) Pandit is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel.

Mr. S. B. (Ravi) Pandit and his relatives will be concerned or interested in the ordinary resolution to the extent of the remuneration payable to him under the authority of the resolution.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Ordinary Resolutions set forth as Item No. 4 & 5 of the notice for approval of the shareholders.

Item No. 6

Mr. Kishor Patil, aged 57 years, is a member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants of India. In 2014, Mr. Patil was honored with the CA Business Leader Award - Corporate award, by the Institute of Chartered Accountants of India. For his excellence in entrepreneurship, he was honored with the Maharashtra Corporate Excellence (MAXELL) Awards 2014. In 2013, Mr. Patil was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program, recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine, and awarded the 2013 Rotary Excellence Award. He is a prolific speaker and has presented at various national and international forums including the World Economic Forum (WEF), on topics such as entrepreneurship, innovation, building high performance organizations and business transformation. Mr. Patil possesses 35 years of experience.

Mr. Kishor Patil is a Co-founder, CEO & Managing Director of KPIT. He guides overall management of the Company and is responsible for customer delivery units and support functions and ensuring efficient and effective functioning of the organization as a whole. He has a particular focus and vision for growing products and platforms. Under his leadership, KPIT has filed close to 60 patents, has developed over 100 IPs in cutting-edge technologies in its focus areas, and has won several national and international awards including the Wall Street Journal Technology Innovation Award, and Knowledge@Wharton Technovation Award. The Company intends to continue to benefit from his top notch management skills and the Board of Directors of the Company propose to appoint him as Chief Executive Officer (CEO) & Managing Director of the Company for a period of five years with effect from January 16, 2019.

The details of his directorships and membership of committees in other companies are as follows March 31, 2019:

Directorships:

Names of the Companies	Designation
KP Corporate Solutions Limited	Director
Impact Automotive Solutions Limited	Director
K and P Management Services Private Limited	Director
Kirtane Pandit Foundation Private Limited	Director
KPIT Technologies (UK) Ltd.	Director
KPIT Technologies GmbH	Director
KPIT (Shanghai) Software Technology Co. Limited	Director

Names of the Companies	Designation
KPIT Technologies Netherlands B.V.	Director
Microfuzzy KPIT Tecnologia LTDA, Brazil	Director
KPIT Technologies GK	Director
KPIT Technologies Inc.	Director
KPIT Technologies Pte. Ltd.	Director
KPIT Technologies Holding Inc.	Director
KPIT Technologies France	Director

He does not hold membership in any committee in other companies.

Mr. Patil has been a Director on our Board since incorporation and appointed as CEO & Managing Director since January 16, 2019 for a period of five years subject to retirement by rotation. During the financial year 2018-19, the Company paid ` 34.60 lakhs to Mr. Kishor Patil towards remuneration.

Mr. Patil attended all 6 meetings of the Board of the Company during the year.

As on March 31, 2019, he holds 29,89,080 equity shares in the Company.

Brief terms and conditions of appointment of Mr. Kishor Patil are given below:

(a) Mr. Kishor Patil shall be paid a basic salary, perquisites and allowances in the range of ` 108.82 lacs per annum to ` 218.89 lacs per annum. Within this range, the aggregate of basic salary, perquisites and allowances may be revised by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time, subject to maximum annual increase of 15% over the basic salary perquisites and allowances for the previous year.

(b) Variable incentive of such amount as may be decided by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time subject to the prescribed limit given under Section 196, Section 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

(c) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. Kishor Patil, shall not be in excess of 2.5% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Companies Act, 2013) and payment of remuneration shall not be in excess of 5% of the Net Profit of the Company to all Executive Directors of the Company for each of the financial years from 2018-19 and onwards with effect from January 16, 2019 for a period of five years.

If the Company incurs a loss or its profits are inadequate in any financial year during the tenure of Mr. Kishor Patil, he may be paid such minimum remuneration as determined by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors, within the limits laid down in Section II, Part II of Schedule V of the Companies Act, 2013. In such a case, the following perquisites shall not be included in the computation of the ceiling on remuneration in case the company has inadequate profits or loss in that financial year.

(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

(c) encashment of leave at the end of the tenure.

Particulars as per Section II of Part II of Schedule V of the Companies Act, 2013 are given below.

I. General Information:

1. Nature of industry:

The Company is in the business of providing engineering solutions, specialized in embedded software, Artificial Intelligence (AI) & Digital Solutions in automobile industry and mobility.

2. Financial performance based on given indicators:

Please refer to Financial Statements attached to this notice.

3. Foreign investments or collaborations, if any: Nil

II. Information about the appointee:

1. Background details:

Please refer to opening paragraphs in this item for these details.

2. Past remuneration:

During the financial year 2018-19, the Company paid ` 34.60 lakhs to Mr. Kishor Patil.

3. Recognition or awards:

a) Honored with **Maharashtra Corporate Excellence (MAXELL) Awards 2014** for Excellence in Entrepreneurship.

b) Selected amongst the 16 finalists for the **Ernst & Young Entrepreneur of the Year (EOY) – India 2012 award.**

c) Awarded the prestigious **Golden Lotus National Award** by the honorable President of India for producing a state-of-the-art internationally acclaimed animation movie.

d) Awarded the prestigious 2013 **Rotary Excellence Award** for exemplary leadership and outstanding performance, by a chapter in Pune.

4. Job profile and his suitability:

It is proposed to appoint Mr. Kishor Patil as CEO & Managing Director for a period of five years. Mr. Patil will be responsible for the overall operations of the Company. The previous paragraphs give information on the suitability of Mr. Kishor Patil for the appointment.

5. Remuneration proposed:

a) <u>Fixed remuneration:</u> Range ` 108.82 lacs per annum to ` 218.89 lacs per annum over the tenure.

b) <u>Variable remuneration:</u> As fixed by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors from time to time.

c) <u>Total remuneration:</u> Subject to an overall ceiling of 10% for all the whole-time directors and managing director(s).

d) <u>Perquisites and other details:</u> Please refer to previous paragraphs in this item of business.

6. Comparative remuneration profile with respect to industry, size of the company, profile of position and person:

The comparative remuneration in the Engineering Industry for companies with revenues in the range of ` 15,969 Mn to ` 94,458 Mn for the position of a Chairman & Executive Director (Whole-time Director) ranged from ` 37 Mn to ` 210.34 Mn for the year 2018-19.

7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Please refer Note No. 34 to the standalone financial statements attached.

III. Other information:

1. **Reasons of loss or inadequate profits:** Not applicable.

2. **Steps taken or proposed to be taken for improvement:** Not applicable.

3. **Expected increase in productivity and profits in measurable terms:** Not applicable.

The agreement will be entered into between the Company and Mr. Kishor Patil and the draft agreement will be available for inspection at the registered office of the Company from Monday to Friday, between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

As per the provisions of Section 196 and 197 of the Companies Act, 2013, the appointment of a CEO & Managing Director shall be approved by the members at a general meeting of the Company.

Mr. Patil is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel.

Mr. Patil and his relatives are concerned or interested in the ordinary resolution to the extent of the remuneration payable to him under the authority of the resolution.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 6 of the notice for approval of the shareholders.

Item No. 7

Mr. Sachin Tikekar, aged 51 years, holds a Masters' degree in Strategic Management and International Finance from Temple University's Fox School of Business and Management, Pennsylvania. He is also on the Board of Nostrum High Performance, Inc. Mr. Tikekar is a member of the World Wildlife Federation and pursues his fascination with wildlife, nature and adventure through travelling. Mr. Tikekar possesses 25 years of experience.

Mr. Tikekar is a Co-founder and President of KPIT Technologies Limited. Having been with the Company since the beginning, he has provided leadership and guidance in many different areas of the Company. In his current role, Mr. Sachin Tikekar is the Executive Sponsor responsible for driving sustainable business growth of the Company and he leads our initiatives to launch innovative products and platforms. In both roles, he is intrinsically involved in managing and growing strategic relationships with key customers and partners. In recognition of his stellar contribution to the growth of the Company, the Board of Directors of the Company propose to appoint him as Whole-time Director of the Company for a period of five years with effect from January 16, 2019.

The details of his directorships and membership of committees in other companies are as follows March 31, 2019:

Directorships:

Names of the Companies	Designation
Sanis Estates Private Limited	Director
KPIT Technologies Netherlands B. V.	Director
Nostrum High Performance, Inc.	Director
KPIT (Shanghai) Software Technology Co. Limited	Director
KPIT Technologies GK	Director
KPIT Technologies Inc.	Director
KPIT Technologies Holding Inc.	Director
KPIT Technologies Pte. Limited	Director
Microfuzzy KPIT Tecnologia LTDA, Brazil	Director

He does not hold membership of any committees in other companies.

Mr. Tikekar is currently holding office as Whole-time Director of the Company for a period of five years from January 16, 2019, subject to retirement by rotation. During the financial year 2018-19, the Company paid ` 31.20 lakhs to Mr. Tikekar towards remuneration.

Mr. Tikekar attended 5 meetings of the Board of the Company during the year.

As on March 31, 2019, he holds 8,40,800 equity shares in the Company

Brief terms and conditions of appointment of Mr. Sachin Tikekar are given below:

(a) Mr. Sachin Tikekar shall be paid a basic salary, perquisites and allowances in the range of ` 116.55 lacs per annum to ` 234.42 lacs per annum. Within this range, the aggregate of basic salary, perquisites and allowances may be revised by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time, subject to maximum annual increase of 15% over the basic salary perquisites and allowances for the previous year.

(b) Variable incentive of such amount as may be decided by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors, from time to time subject to the prescribed limit given under Section 196, Section 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

(c) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. Sachin Tikekar, shall not be in excess of 2.5% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Companies Act, 2013) and payment of remuneration shall not be in excess of 5% of the Net Profit of the Company to all Executive Directors of the Company for each of the financial years from 2018-19 and onwards with effect from January 16, 2019 for a period of five years.

If the Company incurs a loss or its profits are inadequate in any financial year during the tenure of Mr. Sachin Tikekar, he may be paid such minimum remuneration as determined by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors, within the limits laid down in Section II, Part II of Schedule V of the Companies Act, 2013. In such a case, the following perquisites shall not be included in the computation of the ceiling on remuneration in case the company has inadequate profits or loss in that financial year.

(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

(c) encashment of leave at the end of the tenure.

Particulars as per Section II of Part II of Schedule V of the Companies Act, 2013 are given below.

I. General Information:

1. Nature of industry:

The Company is in the business of providing engineering solutions, specialized in embedded software, Artificial Intelligence (AI) & Digital Solutions in automobile industry and mobility.

2. Financial performance based on given indicators:

Please refer to Financial Statements attached to this notice.

3. Foreign investments or collaborations, if any: Nil

II. Information about the appointee:

1. Background details:

Please refer to paragraphs above in this item for these details.

2. Past remuneration:

During the financial year 2018-19, the Company paid ` 31.20 lakhs to Mr. Sachin Tikekar.

3. Job profile and his suitability:

Mr. Sachin Tikekar will be responsible for managing the key customer relationships of the Company. The previous paragraphs give information on the suitability of Mr. Sachin Tikekar.

4. Remuneration proposed:

(a) <u>Fixed remuneration:</u> Range of ` 116.55 lacs per annum to ` 234.42 lacs per annum over the tenure.

(b) <u>Variable remuneration:</u> As fixed by the Board of Directors or the Nomination & Remuneration (HR) committee of the Board of Directors from time to time.

(c) <u>Total remuneration:</u> Subject to an overall ceiling of 10% for all the whole-time directors and managing director(s).

(d) <u>Perquisites and other details:</u> Please refer to previous paragraphs in this item of business.

5. Comparative remuneration profile with respect to industry, size of the company, profile of position and person:

The comparative remuneration in the Engineering Industry for companies with revenues in the range of ` 15,969 Mn to ` 94,458 Mn for the position of a Chairman & Executive Director (Whole-time Director) ranged from ` 32.7 Mn to ` 103.8 Mn for the year 2018-19.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Please refer Note No. 34 to the standalone financial statements attached.

III. Other information:

1. **Reasons of loss or inadequate profits:** Not applicable.

2. **Steps taken or proposed to be taken for improvement:** Not applicable.
3. **Expected increase in productivity and profits in measurable terms:** Not applicable.

The agreement will be entered into between the Company and Mr. Sachin Tikekar and the draft agreement will be available for inspection at the registered office of the Company from Monday to Friday, between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

As per the provisions of Section 196 and 197 of the Companies Act, 2013, the appointment of a Whole-time Director shall be approved by the members at a general meeting of the Company.

Mr. Tikekar is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel.

Mr. Tikekar and his relatives are concerned or interested in the Ordinary Resolution to the extent of the remuneration payable to him under the authority of the resolution.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 7 of the notice for approval of the shareholders.

Item No. 8

Mr. Anant Talaulicar, aged 58 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from January 16, 2019 for a period of five years pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Anant Talaulicar for the office of Independent Director of the Company. Mr. Anant Talaulicar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. 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. 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. Mr. Talaulicar possesses 33 years of experience.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
The Hi-Tech Gears Limited	Director
Birlasoft Limited	Director
Force Motors Limited	Director

Membership:

Name of the Company	Name of the Committee	Chairman/ Member
Birlasoft Limited	Audit Committee	Member
	Nomination & Remuneration Committee	Chairman
	Corporate and Social Responsibility (CSR) Committee	Member
	Risk Management Committee	Member

Mr. Talaulicar does not hold any shares in the Company as on March 31, 2019.

Details of Mr. Talaulicar's last drawn remuneration are given in the Corporate Governance report of this Annual report.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Mr. Talaulicar as an Independent Director in the Annual General Meeting for a period of five years from January 16, 2019, not liable to retire by rotation.

Mr. Talaulicar will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (http://www.kpit.com/company/investors/corporate-governance).

Mr. Talaulicar has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Talaulicar fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for being appointed as an Independent Director and Mr. Talaulicar is independent of the management.

Considering the qualifications, experience, expertise and the accomplishments of Mr. Talaulicar, the Board of Directors is of the view that appointment of Mr. Talaulicar as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 8 of the Notice for the approval of the shareholders.

Mr. Talaulicar is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Talaulicar is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 9

Mr. B V R Subbu, aged 65 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from January 16, 2019 for a period of five years pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. B V R Subbu for the office of Independent Director of the Company. Mr. B V R Subbu is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. B V R Subbu is an automotive industry expert and thought leader. He holds a post graduate degree in Economics from Jawaharlal Nehru University and a post graduate diploma from Indian Institute of Foreign Trade. He was president of Hyundai India earlier. He was also extensively involved with Tata Group holding various responsibilities, including responsibilities in Tata Motors' Light Commercial Vehicles and Multi Utility Vehicles business. He possess an experience of 42 years.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
Eurofinance Training and Publishing Private Limited	Director
Eurofinance Training Private Limited	Director
NMC Automotive Infrastructure Private Limited	Director
Altius Autoworld Private Limited	Director
Altius Leo Automotive Private Limited	Director
Altius Trucks Sales & Service Private Limited	Director
Octogence Technologies Private Limited	Director

Name of the company	Designation
Octogence Digital Systems Private Limited	Director
Comstar Automotive Technologies Private Limited	Director
Doer Marine India Private Limited	Director

He does not hold membership of any committees in other companies.

Mr. Subbu does not hold any shares in the Company as on March 31, 2019.

Details of Mr. Subbu's last drawn remuneration are given in the Corporate Governance report of this Annual report.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Mr. Subbu as an Independent Director in the Annual General Meeting for a period of five years from January 16, 2019, not liable to retire by rotation.

Mr. Subbu will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (http://www.kpit.com/company/investors/corporate-governance).

Mr. Subbu has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Subbu fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for being appointed as an Independent Director and Mr. Subbu is independent of the management.

Considering the qualifications, experience, expertise and the accomplishments of Mr. Subbu, the Board of Directors is of the view that appointment of Mr. Subbu, as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 9 of the Notice for the approval of the shareholders.

Mr. Subbu is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Subbu is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 10

Prof. Alberto Sangiovanni Vincentelli, aged 72 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from January 16, 2019 for a period of 5 years pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Prof. Alberto Sangiovanni Vincentelli for the office of Independent Director of the Company. Mr. Anant Talaulicar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Prof. Alberto Sangiovanni Vincentelli was a co-founder of Cadence and Synopsys, the two leading companies in the area of Electronic Design Automation. He is the Chief Technology Adviser of Cadence. He is a member of the Board of Directors of Cadence and chairs its Technology Committee. He was a member of the HP Strategic Technology Advisory Board. He is currently a member of the Science and Technology Advisory Board of General Motors, as well as a member of the Technology Advisory Council of United Technologies Corporation. He is also a Professor in University of California, Berkeley, Department of Electrical Engineering & Computer Sciences. He possess an experience of 48 years.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
Cadence Design Systems	Director
Sonics Inc.	Director
Expert Systems	Director
Ultra SoC	Director
Expert System USA	Director
Cogisen	Director

Membership:

Name of the Company	Name of the Committee	Chairman/ Member
Cadence Design Systems	Strategy Committee	Member

Prof. Alberto does not hold any shares in the Company as on March 31, 2019.

Details of Prof. Alberto's last drawn remuneration are given in the Corporate Governance report of this Annual report.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Prof. Alberto as an Independent Director in the Annual General Meeting for a period of five years from January 16, 2019, not liable to retire by rotation.

Prof. Alberto will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (http://www.kpit.com/company/investors/corporate-governance).

Prof. Alberto has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Prof. Alberto fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for being appointed as an Independent Director and Prof. Alberto is independent of the management.

Considering the qualifications, experience, expertise and the accomplishments of Prof. Alberto, the Board of Directors is of the view that appointment of Prof. Alberto, as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 10 of the Notice for the approval of the shareholders.

Prof. Alberto is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Prof. Alberto is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 11

Mr. Nickhil Jakatdar, aged 47 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from January 16, 2019 for a period of five years pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Nickhil Jakatdar for the office of Independent Director of the Company. Mr. Nickhil Jakatdar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Jakatdar is currently the CEO and Co-founder of Vuclip, a global leader in the Video-on-Demand space, funded by Temasek, Foxconn and Pacific Century CyberWorks (PCCW). Prior to Vuclip, Mr. Jakatdar founded and ran various start-ups, such as Timbre Technologies (acquired by Tokyo Electron), CommandCAD (acquired by Cadence Design Systems) and Praesagus (acquired by Cadence Design Systems). He is also the founding member of the Bhau Institute of Innovation, Entrepreneurship and Leadership in Pune and is an investor and advisor to Campfire Labs (acquired by Groupon), flutter.io (acquired by Google), Bash

Gaming (acquired by GSN), Shoptimize, PayActiv, Viewics (acquired by Roche), Jombay, Mezi (acquired by American Express) and Blend, among others. He has been the recipient of many awards from various organizations, including the Lifetime Achievement Award from College of Engineering, Pune, the Institute of Electrical and Electronics Engineers (IEEE) Best Paper Award in Transactions on Semiconductor Manufacturing and the Berkeley Distinguished Pioneer Award. He has to his credit more than 20 conference papers and more than 60 issued patents.

Mr. Jakatdar completed his Bachelors of Engineering (BE) in Electrical Engineering in 1995 from the College of Engineering, Pune and his MS and Master's degree of Ph.D in Electrical Engineering and Computer Science from the University of California - Berkeley in 2000. Mr. Jakatdar possesses 19 years of experience.

The details of his directorships and membership in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
Next Leap Career Solutions Private Limited	Director
Vuclip Digital Media Private Limited	Director
Vuclip (India) Private Limited	Director
Causeway Healthcare Private Limited	Director

He does not hold membership of any committees in other companies.

Mr. Jakatdar does not hold any shares in the Company as on March 31, 2019.

Details of Mr. Jakatdar's last drawn remuneration are provided in the Corporate Governance report of this Annual report.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Mr. Jakatdar as an Independent Director in the Annual General Meeting for a period of five years from January 16, 2019, not liable to retire by rotation.

Mr. Jakatdar of will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (http://www.kpit.com/company/investors/corporate-governance).

Mr. Jakatdar has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Jakatdar fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for being appointed as an Independent Director and Mr. Jakatdar is independent of the management.

Considering the qualifications, experience, expertise and the accomplishments of Mr. Jakatdar, the Board of Directors is of the view that appointment of Mr. Jakatdar, as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 11 of the Notice for the approval of the shareholders.

Mr. Jakatdar is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Jakatdar is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 12

Ms. Shubhalakshmi Panse, aged 65 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from January 16, 2019 for a period of five years pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Shubhalakshmi Panse for the office of Independent Director of the Company. Ms. Shubhalakshmi Panse is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Ms. Panse holds M.Sc degree from Pune University, D.B.M (Diploma in Business Management), MMS (Master's in Management Sciences with specialization in Financial Management) Pune University and M.B.A (Masters in Business Administration with specialization in Bank Management) Drexel University, USA and C.A.I.I.B (Certified Associate of Indian Institute of Bankers). She has 38 Years of work experience in the field of Banking. She was appointed as Chairman & Managing Director, Allahabad Bank on October 1, 2012 and superannuated on January 31, 2014. Prior to this appointment, she was the Executive Director of Vijaya Bank for 34 months.

She was also the Chairperson of ALLBANK Finance Ltd, a subsidiary of the Bank and Director on the Board of Universal Sompo Insurance company, a joint venture company of Allahabad Bank, Indian Overseas Bank, Karnataka Bank, Sompo of Japan and Dabar Company. She was the General Manager in Bank of Maharashtra and has shouldered the responsibility in almost all key segments of Banking, in various capacities – at Branches, Zonal Office, and at Corporate Office. Ms. Panse possesses 38 years of experience.

The details of her directorships and membership in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
Sudarshan Chemical Industries Limited	Director
Cholamandalam Financial Holdings Limited	Director
The Federal Bank Ltd	Director
PNB Housing Finance Limited	Director
IL & FS Investment Managers Limited*	Director
Atul Limited	Director
Cholamandalam MS General Insurance Company limited	Director

*Resigned with effect from April 30, 2019.

Memberships:

Name of the Company	Name of the Committee	Chairperson/ Member
Federal Bank	Audit Committee	Member
	Risk Management Committee	Chairperson
	Special Committee of the Board for Monitoring and follow up of cases of Frauds (SCBF)	Member
	Information Technology & Operation Committee	Member
	Committee for Human Resources	Member
Sudarshan Chemical Industries Limited	Audit Committee	Member
	Risk Management Committee	Member
Cholamandalam MS Insurance Co Ltd	Audit Committee	Member
	Policy Holders Protection Committee	Chairperson
	Nomination & Remuneration Committee	Chairperson
Cholamandalam Financial Holdings Ltd	Audit Committee	Chairperson
	Nomination & Remuneration Committee	Chairperson
PNB Housing Finance Ltd	Audit Committee	Chairperson
	Stakeholder Relationship Committee	Chairperson
Atul Ltd.	CSR Committee	Chairperson

Ms. Panse does not hold any shares in the Company as on March 31, 2019.

Details of Ms. Panse's last drawn remuneration are given in the Corporate Governance report of this Annual report.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Ms. Shubhalakshmi Panse as an Independent Director in the Annual General Meeting for a period of five years from January 16, 2019, not liable to retire by rotation.

Ms. Panse will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (http://www.kpit.com/company/investors/corporate-governance).

Ms. Panse has submitted a declaration of her independent status as required under Section 149 of the Companies Act, 2013, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Ms. Panse fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for being appointed as an Independent Director and Ms. Panse is independent of the management.

Considering the qualifications, experience, expertise and the accomplishments of Ms. Panse, the Board of Directors is of the view that appointment of Ms. Panse, as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 12 of the Notice for the approval of the shareholders.

Ms. Panse is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Ms. Panse is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 13

Mr. Rohit Saboo, aged 52 years, a Nominee of National Engineering Industries Limited was appointed as an Additional Director since January 16, 2019 who holds office till the date of the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Rohit Saboo for the office of Director of the Company. Mr. Rohit Saboo is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Rohit Saboo is an Engineer and MBA from USA and is also a graduate from the Columbia Senior Executive Program. He is currently the President & CEO of National Engineering Industries Limited. He has 27 years of professional experience. He joined the CK Birla Group after a short entrepreneurial stint. He was the Executive Assistant to the Chairman where he supported the transformation exercise of the Group. He took over as the youngest CEO of NEI in 2008 and led it to become the only bearing company in the world to achieve the Deming Grand Prize. With his extensive successful experience in manufacturing he has transformed the R&D of NEI and also led NEI to become the largest manufacturer and also the largest exporter of bearings in the country. He received the Ashoka award for contributions towards quality movement in the industry. He was the Chairman of CII Rajasthan and has represented many government and association delegations abroad. Mr. Saboo possesses 27 years of experience.

The details of his directorships and membership in other companies are as follows as on March 31, 2019:

Directorships:

Name of the company	Designation
Venkateswara Wires Private Limited	Director
MLS Exports and Trading Private Limited	Director
Jaipur Finance and Diary Products Private Limited	Director
NTN NEI Manufacturing India Private Limited	Director
Rajasthan Industries Limited	Director
Universal Trading Co. Ltd.	Director

He does not hold membership of any committees in other companies.

Mr. Saboo does not hold any shares in the Company as on March 31, 2019.

Mr. Saboo an Additional Director holds office till the date of the ensuing Annual General Meeting and being eligible for appointment, it is proposed to approve the appointment of Mr. Saboo as a Nominee Director from January 16, 2019 in the Annual General Meeting, not liable to retire by rotation.

Details of Mr. Saboo's last drawn remuneration are given in the Corporate Governance report of this Annual report.

Considering the qualifications, experience, expertise and the accomplishments of Mr. Saboo, the Board of Directors is of the view that appointment of Mr. Saboo, as a Nominee Director will benefit the Company and hence, recommends the ordinary resolution set forth as Item No. 13 of the Notice for the approval of the shareholders.

Mr. Saboo is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Saboo is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 14

To acknowledge the contribution of Non-Executive Directors to the growth of the Company, it is proposed to pay the commission to the Non-Executive Directors of the Company, not exceeding one percent (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, for a period of five years commencing from the financial year 2018-19. Under the provisions of section 197 of the Companies Act, 2013, payment of remuneration to Non-Executive Directors shall be approved by the Company in general meeting. Accordingly, this resolution is being proposed for the approval of the members.

The Board of Directors recommends the ordinary resolution set forth as Item No. 14 of the Notice for the approval of the shareholders.

All the Non-Executive Directors of the Company 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 the resolution.

None of the other Directors or key managerial personnel or relatives of directors or key managerial personnel is concerned or interested in the proposed resolution.

Item No. 15

Mr. Chinmay Pandit is the son of Mr. S. B. (Ravi) Pandit, Chairman & Executive Director of the Company and thus falls within the definition of relative under the Companies Act, 2013 and his employment with the Company would attract the provisions of Section 188 (1) of the Companies Act, 2013, for which approval of the members of the Company by way of an Ordinary Resolution is required.

Mr. Chinmay Pandit is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. Mr. Chinmay Pandit has also done his MBA from world renowned J. L. Kellogg School of Business at the Northwestern University, USA with specialization in Analytical Finance and Technology Management. He has more than 15 years of work experience and has worked with renowned companies such as KPMG and Infosys. He has worked in India as well as the United States.

The information as required in accordance with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, is as under:

1. Name of the related party: Mr. Chinmay Pandit
2. Name of the Director or KMP who is related: Mr. S. B. (Ravi) Pandit
3. Nature of relationship: Mr. Chinmay Pandit is son of Mr. S. B. (Ravi) Pandit
4. Nature, material terms, monetary value and particulars of the contract or arrangement: Mr. Chinmay Pandit is proposed to be appointed as an employee of the Company on remuneration and terms and conditions as stated in the Resolution.
5. Any other information relevant or important for the members to take a decision on the proposed Resolution: Please refer to his qualifications and experience as mentioned aforesaid under this item of business.

The Directors recommend the ordinary resolution set forth as Item No. 15 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolution in any way, except Mr. S. B. (Ravi) Pandit.

Item No. 16

Ms. Jayada Pandit is the daughter-in-law of Mr. S. B. (Ravi) Pandit, Chairman & Executive Director of the Company and thus falls within the definition of relative under the Companies Act, 2013 and her employment with the Company would attract the provisions of Section 188 (1) of the Companies Act, 2013, for which approval of the members of the Company by way of Ordinary Resolution would be required.

Ms. Jayada Pandit possesses a Masters degree in Electronics & Telecom from ENST & ENSIETA, France. She has more than 7 years of work experience with well known business group such as Shinghania Services (USA & India), Thomson Inc, France. Over the period of time she has developed specialization in Electronics & Telecommunications.

The information as required in accordance with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, is as under:

1. Name of the related party: Ms. Jayada Pandit
2. Name of the Director or KMP who is related: Mr. S. B. (Ravi) Pandit
3. Nature of relationship: Ms. Jayada Pandit is daughter- in- law of Mr. S. B. (Ravi) Pandit
4. Nature, material terms, monetary value and particulars of the contract or arrangement: Ms. Jayada Pandit is proposed to be appointed as an employee of the Company on remuneration and terms and conditions as stated in the Resolution.
5. Any other information relevant or important for the members to take a decision on the proposed Resolution: Please refer to her qualifications and experience as mentioned aforesaid under this item of business.

The Directors recommend the Ordinary resolution set forth as Item No. 15 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolution in any way, except Mr. S. B. (Ravi) Pandit.

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 23, 2019 (9:00 a.m. IST) and ends on Tuesday, August 27, 2019 (5:00 p.m. IST).** 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, August 21, 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, August 21, 2019,** may obtain the login ID and password by sending a request at evoting@nsdl.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, August 21, 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 is 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.

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***

4. Your User ID details are given below:

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user 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) **"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 is 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 click 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 with a copy marked to evoting@nsdl.co.in.

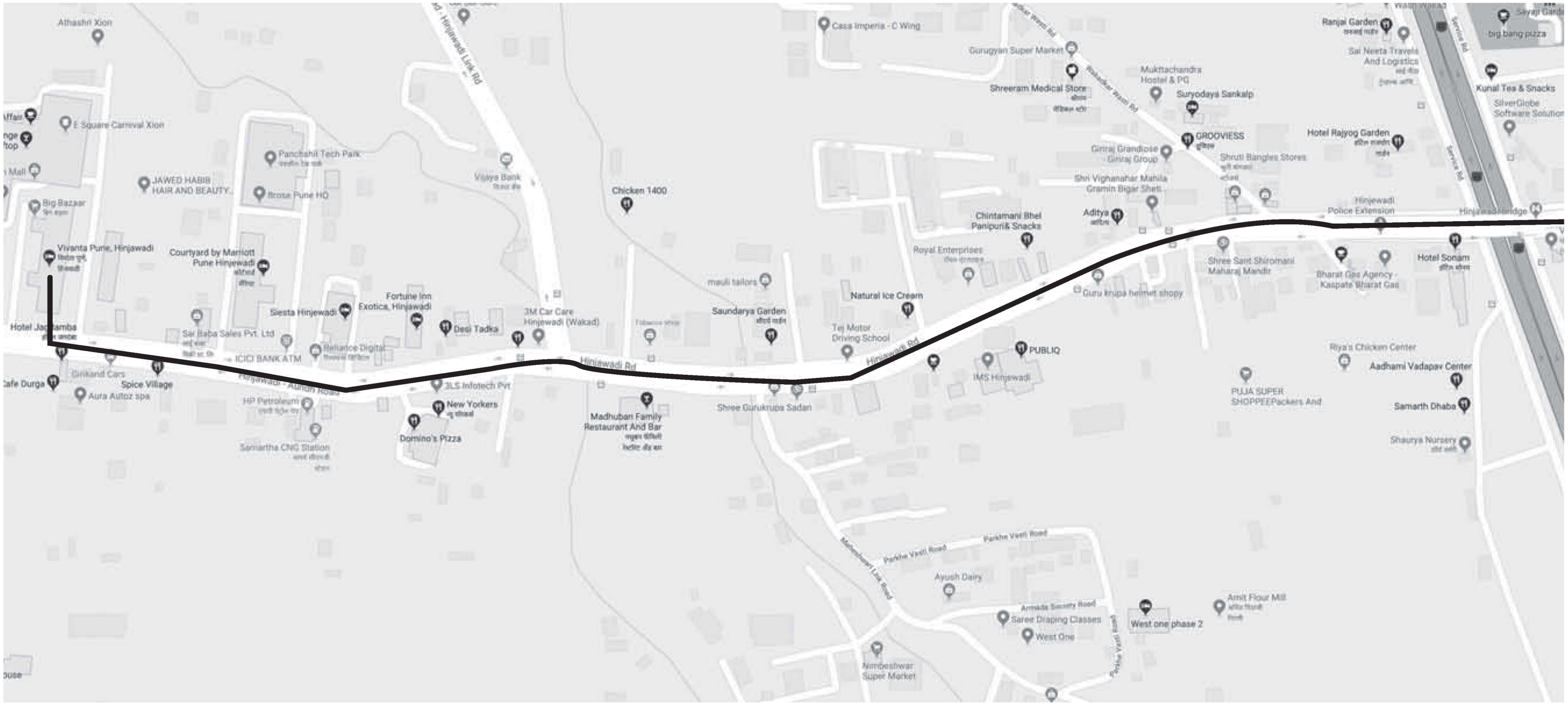
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot 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

Route map of AGM Venue

Vivanta Pune

Xion Complex, Hinjawadi Road, Hinjawadi, Pune, 411057



KPIT Technologies Limited
(Formerly KPIT Engineering Limited)

CIN: U74999PN2018PLC174192
Registered & Corporate Office: Plot 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057, India.
Phone: +91-20-6770 6000 | E-mail: grievances@kpit.com | Website: www.kpit.com

Subject: Green Initiative in Corporate Governance - Shareholders' Consent to receive communication in Electronic Form & Mandatory updation of PAN and Bank details against your holding.

Dear Shareholder,

The MCA vide Section 20 of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014 allow companies to serve documents through electronic mode thus encouraging the green initiative. We propose to send 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, **Karvy Fintech Private Limited** at: einward.ris@karvy.com. Alternatively, you may register your e-mail address with the Company by writing an email to grievances@kpit.com with the subject line - 'Green Initiative'. **If you have already registered your e-mail address, you are not required to re-register the same unless there is a change in your e-mail address.**

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

Further, the Securities and Exchange Board of India has vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 and BSE Limited vide its Circular No. LIST/ COMP/ 15/ 2018-19 dated July 5, 2018 mandated that companies through their Registrar and Transfer Agents ("RTA") take special efforts for collecting copies of PAN and bank account details of their security holders holding securities in physical form and advise them to dematerialize their physical securities as it is mandatorily to carry out the transfer of securities in dematerialized form only.

Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to the RTA/ Company for registration / updation, please do the needful at the earliest by following the below mentioned procedure.

Kindly fill in the details as mentioned in the attached form and forward the same along with all the supporting documents based on requirements considering the below mentioned points to RTA.

ACTION REQUIRED FROM SHAREHOLDER

You are requested to submit the following to update the records immediately

A. For updating PAN of the registered shareholder and/or joint shareholder(s):

- Self- attested legible copy of PAN card (exempted for Shareholders from Sikkim)

B. For updating Bank Account details of the registered shareholder:

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

    - For address proof : Self- attested legible copy of Aadhar/passport/utility bill (not older than 3 months)

- Original cancelled cheque leaf containing the Bank A/c No., Bank Name, Type of Account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf OR

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

    - For address proof : Self- attested legible copy of Aadhar/passport/utility bill (not older than 3 months)
    - Original cancelled cheque leaf containing the details, Bank A/c No., Bank Name, Type of Account, IFSC Code, MICR Code.

Legible copy of the Bank passbook / Bank statement specifying the details of the registered shareholder such as the name, address, bank account number etc. duly attested by the officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

In case you have any queries or need any assistance, please contact **Karvy Fintech Private Limited** at: einward.ris@karvy.com (in case of physical holding) or to the depositories (in case of dematerialized holding).

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

Nida Deshpande
Company Secretary

Format for furnishing the PAN and Bank Details:

To,
Karvy Fintech Private Limited
(Formerly known as KCPL Advisory Services P Ltd.)
Karvy Selenium Tower B, Plot no.31 & 32,
Financial District Nanakramguda,
Serilingampally Mandal, Hyderabad – 500032.
Phone: +91 40 6716 2222

Dear Sir,

I/We furnish below our folio details along with PAN and Bank mandate details for updation and confirmation of doing needful. I/we are enclosing the self-attested copies of PAN cards of all the holders, original cancelled cheque leaf of first holder, Bank Pass book and address proof viz., Aadhar card as required for updation of details:

Folio No.	
Address of the 1st named Shareholder	
Mobile No.	
E-Mail ID	

Bank Account Details: (for electronic credit of unpaid dividends and all future dividends)

Name of the Bank			
Name of the Branch			
Account Number (as appearing in the cheque book)			
Account Type (Savings/ Current/ Cash Credit)	Savings	Current	Cash Credit
9 Digit MICR Number (as appearing on the MICR cheque issued by the Bank)			
11 Digit IFSC Code			

	PAN No.	**Name**
First Holder:		
Joint Holder 1 :		
Joint Holder 2:		

Signature : ....

Date: ....

Place: ....

Note: The above details will not be updated if the supporting documents are not attached and not duly self-attested.

KPIT Technologies Limited

(Formerly KPIT Engineering Limited)

CIN: U74999PN2018PLC174192

Registered & Corporate Office: Plot 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057, India.

Phone: +91-20-6770 6000 | E-mail: grievances@kpit.com | Website: www.kpit.com

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) of .... 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: ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 2nd Annual General Meeting of the Company to be held on Wednesday, August 28, 2019 at 10.30 a.m. at Vivanta Pune, Xion Complex, Hinjawadi Road, Hinjawadi, Pune-411057, Maharashtra, India. and at any adjournment thereof in respect of such resolutions as are listed below:

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 appoint a Director in place of Mr. S. B. (Ravi) Pandit, who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint Mr. S. B. (Ravi) Pandit as a Chairman and Executive Director for a period ending March 28, 2020 and thereafter as a Chairman and Non-Executive Director of the Company.
6. To appoint Mr. Kishor Patil as CEO & Managing Director of the Company.
7. To appoint Mr. Sachin Tikekar as Whole- time Director of the Company.
8. To appoint Mr. Anant Talaulicar as an Independent Director of the Company.
9. To appoint Mr. B V R Subbu as an Independent Director of the Company.
10. To appoint Prof. Alberto Sangiovanni Vincentelli as an Independent Director of the Company.
11. To appoint Mr. Nickhil Jakatdar as an Independent Director of the Company.
12. To appoint Ms. Shubhalakshmi Panse as an Independent Director of the Company.
13. To appoint Mr. Rohit Saboo as a Nominee Director of the Company.
14. To pay commission to the Non-Executive Directors of the Company, for a period of five years commencing from the financial year 2018-19, of such an aggregate amount not exceeding one percent (1%) of the net profits of the Company.
15. To approve the appointment of Mr. Chinmay Pandit, a relative of Mr. S. B. (Ravi) Pandit, to hold an office or place of profit in the Company.
16. To approve the appointment of Ms. Jayada Pandit, a relative of Mr. S. B. (Ravi) Pandit, to hold an office or place of profit in the Company.

Signed this .... day of .... 2019.

Signature of the shareholder

Affix Revenue Stamp

Signature of proxy holder(s)

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.

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Reimagining Mobility
with YOU

KPIT Leadership

(From Left to Right)
Rajesh Janwadkar - *Executive Vice President, Passenger Cars and Global Practices*
Rajeeb Nath - *Executive Vice President, US*
Vinit Teredesai - *Chief Financial Officer*
Chinmay Pandit - *Executive Vice President, Commercial Vehicles*
Pankaj Sathe - *President Europe*
Kishor Patil - *Co-founder, CEO & Managing Director*
S. B. (Ravi) Pandit - *Co-founder, Chairman & Group CEO*
Sachin Tikekar - *President & Whole-time Director*
Pushpahas Joshi - *Executive Vice President, New Mobility*
Anup Sable - *Chief Technology Officer*

The cover page of the Annual Report 2018-19 features KPIT's new Corporate Office in Pune. Post the completion of corporate restructuring in January 2019, KPIT moved to this new campus. Located at Phase III of Hinjawadi-Pune, the new corporate office is spread over a sprawling campus of over 25 acres. The campus hosts a water body which gets supply from the multiple natural water falls from the hillside. The campus provides the right environment and atmosphere for our passionate engineers to craft the next generation technology solutions for reimagining the future of mobility.

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