July 30,2024.

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

Scrip ID: KPITTECH
Scrip Code: 542651

Kind Attn: The Manager,
Department of Corporate Services

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

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Listing Department

Dear Sir / Madam,

Subject: - 7th Annual Report of the Company for FY 2023-24.

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 7th Annual Report of the Company i.e., KPIT Technologies Limited for FY 2023-24. The same is available on the website of the Company at www.kpit.com.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **KPIT Technologies Limited**

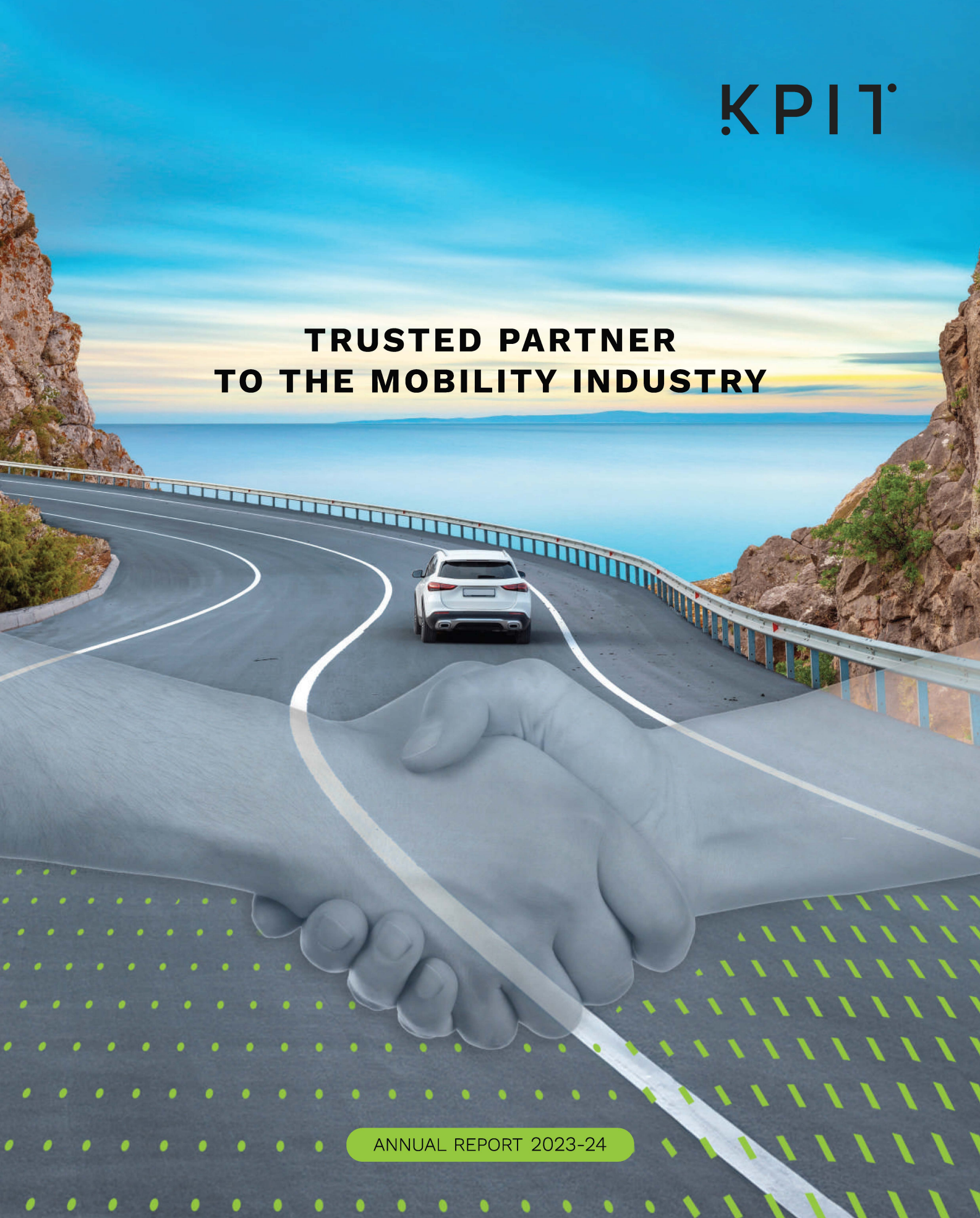
DESHPANDE NIDA YUNUS
Digitally signed by DESHPANDE NIDA YUNUS
Date: 2024.07.30 21:06:32 +05'30'

Nida Deshpande
Company Secretary & Compliance Officer

Encl: as above

KPIT

TRUSTED PARTNER TO THE MOBILITY INDUSTRY



ANNUAL REPORT 2023-24

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For more information about the Company, visit:

www.kpit.com or scan the QR code

To attend the 7th Annual General Meeting (AGM) via video conferencing and to e-vote, the Members are requested to follow the instructions provided in the Notice

Cut-off date:
Tuesday, August 20, 2024

Remote e-Voting Period:

- From Thursday, August 22, 2024 at 9.00 a.m. (IST) To Monday, August 26, 2024 at 5.00 p.m. (IST)
- During AGM

Read this Annual Report online **www.kpit.com**

7th Annual General Meeting
Tuesday, August 27, 2024
10.30 AM

Video conferencing and e-voting:
Click on "VC/OAVM" link placed under "Join Meeting" in NSDL e-Voting system.

KPIT – Building Trusted Partnerships

5 years ago, after the demerger, we set out on our independent path to Reimagine Mobility with You for a Cleaner, Smarter and Safer world. With the mission of being a leading software and system integration partner to the global mobility ecosystem being our north star, we launched the new KPIT with a refreshed brand identity and new ways of working.

The mobility industry was facing its own set of challenges then – disruptions, lack of skilled talent, global partners, and dependability. The need for a Trusted Partner specializing in the automotive space was evident. To fill this gap, we aimed to become a Trusted Partner to the ecosystem, a partner they could count on to meet their technological visions, across the globe.

What distinguishes a Trusted Partnership? A Trusted Partner is one who does not just respond to client requirements, but rather goes beyond that to understand what a client truly needs to transform their journey. At KPIT, we align ourselves with the goals and processes of our clients, thereby anticipating their needs and proactively approaching them with solutions to address challenges. Today, vehicle makers need a partner that brings to the table the expertise, experience, and dependability with scale. As a Trusted Partner to the industry, KPIT aims to be a transformational collaborator in the journey towards the future of mobility.

Towards that end, we have built various mechanisms to ensure our partnerships keep growing. We rolled out the Strategic Index in 2019 to monitor the quality of engagement with our clients. We assess the Customer Satisfaction (CSAT) score on a quarterly basis, which allows us to maintain our exceptional level of delivery with the client. We have regular reviews with our clients to understand their challenges, goals and objectives, so that we can deliver beyond their expectations. Our T25 Strategy allows us to provide dedicated focus to a select group of clients, and therefore, build such Trusted Partnerships with them.

We believe that with this approach, we can deliver on the positive change opportunities that fast approach our clients in the mobility industry today. As they adapt to the changing needs of end customers, markets, and technological advancements, we look forward to helping them deliver on these goals together.

As we mark 5 years of the New KPIT, we would like to bring out our focus on Trusted Partnerships through this Annual Report, and our intent to keep building deep collaboration with our clients across the global mobility industry.



Chairman's Letter

Dear Shareholders,

It's a pleasure for me to write to you through this annual letter.

I would like to use this occasion to reflect on our journey over the past five years and to have a peek at the future, as we see it now.

A Bold Call

Five years ago, we took an extraordinary decision to restructure our business, making us a sharply focused technology company as opposed to a generalist IT company. In strategic terms, at that time, we were a mile-wide and inch-deep. We decided that we would rather be an inch-wide and mile-deep. Earlier, we used to service comprehensive IT needs providing a diverse set of information technology-related services to a wide range of clients spread across multiple industrial segments. We were growing fast, but we were not leaders in any of the services we were rendering. We were neither the first port of call for our clients, nor were we highly profitable.

However, we had a deep passion for the manufacturing industry and specifically for the automotive industry. Though the segment contributed to a small part of our business, we possessed a good depth of knowledge and expertise in automotive embedded software. Hence, we saw an opportunity to make an impact by focusing only on the automotive industry, specifically on a few key players, and providing them with only the embedded software development and integration services. This was the most unusual decision for any information technology company. As a result, our business moved from an annual run rate of $600 million to around $270 million, while our team shrank from 13,500 to about 6,600. Our number of clients came down from roughly 250 to about 60.

It was a tough decision - indeed, a risky decision - but it was a decision which promised a great future. We decided on the strategy around 2019 and saw its full execution by the end of 2020.

We redefined our vision and mission as follows.



Vision

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

Mission

Become the leading “Software Integration Partner” in mobility by knowing “Software” better than any mobility company in the world and knowing “Mobility” better than any other software company in the world.

Where we stand today

That bold decision has had an extraordinary impact on the operations of your Company. I am proud to say that we are now recognized as among the best in the world in our niche. We work with global leaders in mobility, providing our clients with cutting-edge solutions. Our clients, in turn, look to us as their trusted partner in this volatile and uncertain world. We invest significantly in building new technologies and our people are very proud of the work we do. It is an extraordinary professional satisfaction.

Our financial condition reflects the leadership position we have gained, with a return to the size that we were at before our restructuring. Our annual revenue run rate is $600 million, while operating profit (EBITDA) margins have increased from 13% to 20%+. Our team has grown from 6,600 to 13,000+ dedicated Automobelievers. The financial community has recognized our performance, and our market capitalization now tops $5 billion as compared to around $350 million when we got relisted, post-demerger.

Our past year's performance was particularly creditable, coming on top of four years of good performance. Our revenues grew by 40%+ in reported USD terms, our net profit grew by 56% and in the period of one year, our market capitalization has moved from around $3 billion to around $5 billion. Our EBITDA margins have moved from 18.9% to 20.3% while the EBIT margins have expanded from 14.5% to 16.3%. Our Strategic Clients, which contributed 84.6% of the total revenues, grew by 44% during the year, while our people strength progressed from 11,013 at the beginning of the year to 12,856 by the end of the year.

The Mobility Industry

A question that gets asked to me often is whether we are planning to stick only to the automotive industry. I believe there is a need to answer that question.

The mobility industry is in a period of once-in-a-century transformation. Every aspect of the industry is changing- the product and services that it sells, the business models that it follows, its lifecycle utility - everything is transforming. The industry is truly trying to become greener, smarter and safer. There is a change in the powertrain, driving systems, connectivity, software architecture, and the way diagnostics is done. Everything is changing. The automotive was once an equipment with multiple computers inside it. Now it is becoming a computer with equipment around it. At one end of the spectrum, it is only a utility. At the other end of the spectrum, it is a prized personalized possession. It's an industry in which every original equipment manufacturer (OEM) is trying to provide higher value to its customer over the life of the product. With so many changes happening, every auto company is trying to increase its turnaround time and reduce costs simultaneously. This is an industry which - more than ever before - needs a trusted partner who can guide and hold hands in these uncertain times. The competition within auto companies is growing, as is the competition from new age as well as Chinese OEMs.

“This is an industry which - more than ever before - needs **a trusted partner who can guide and hold hands in these uncertain times.** The competition within auto companies is growing, as is the competition from new age as well as Chinese OEMs.”

On the one hand, the nature of the industry is changing, while on the other, the way software is being written is also on the cusp of a major change with Artificial General Intelligence looming large over the horizon. These new technologies promise productivity benefits, but the industry is still evaluating to what extent such autonomously developed software can be trusted for critical functions.

By all accounts, the next 10 years promise to be an extraordinary period of transformation. At the end of this, we will see a new industry where the product, the process of manufacturing, the value offered will be vastly different than what it was

just a decade ago. These changes, though challenging, are very exciting and we look forward to being a gamechanger in these turbulent times.

Our strategy going forward

The question of whether we will stay focused on this industry or whether we will broaden the scope of our work certainly remains at the top of our minds. We see multiple concentric circles for the potential of our growth. Research reports suggest the total spend on software by the automotive and mobility industry would be in the range of around $46+ billion by 2030 and this will be led by OEMs investing in new technologies.

Research reports suggest the total spend on software by the automotive and mobility industry would be in the range of **around $46+ billion by 2030** and this will be led by OEMs investing in new technologies.

We believe there is still a vast potential for us to grow within the automotive industry. Our current focus is on the passenger cars segment, which currently accounts for around 75% of our total revenues. We see significant growth potential in the commercial vehicles segment as well, which currently accounts for only about 22% of revenue. Very much closely linked, but beyond the commercial vehicles, lies the field of Industrial and Farm Equipment, and beyond that, exist other mobility industries such as marine, railways, aviation, and space. All these fields can draw on our current strength in electronic and electrical architecture as well as our understanding of powertrain and vision systems. Thus, our conviction is that there are still several areas which can continue to provide tremendous headroom for our growth, including our current focus areas of passenger cars and commercial vehicles.

I like to look at an automobile, or for that matter any equipment, as a triangle with three sides - namely, intelligence, energy, and materials. 'Intelligence' refers to the electronic hardware and software - an area of deep expertise for us. We have started doing deep work on 'energy' through our innovations on alternate energy generation and storage systems. We have also been doing some work on 'materials' through our Vehicle Engineering Department but there is much more that we can do, especially considering the coming revolution of synthetic materials. We believe there is much that a technology company like KPIT can contribute to each of the three sides of the triangle.

What changes and what doesn't change?

While we have changed the nature of our business from a generalist to a specialist and will continue to make changes in our business in the years to come, there are certain things that will never change. Our value system will never change. Our commitment to the four pillars of our operations on which our business rests - our clients, our technologies, our delivery mechanism and our people – will also never change. These commitments are etched into the way we work. We believe that we will continue to demonstrate superior operational performance on account of our sharp focus on these four pillars.

Sustainability, our commitment to the world

We have been committed to sustainability much before it became a buzzword. Our initial mission, when we were a generalist company, was to contribute to a better world through the use of technology. Since our focus became sharp, our mission has been to re-imagine mobility for a more sustainable world. The work that we do in powertrain, electronic architecture, connectivity, vision systems - all contribute to making the automotive world more sustainable.

We are also very conscious about the way we run our operations. A large part of the energy that we use is renewable. We hardly use any plastic in our operations. We engage with all our staff to get them aligned to more a sustainable lifestyle. Elsewhere in this report you will see more details about our work on sustainability.

Our commitments to you

We are committed to help our clients transform their business models and bring out the most competitive products in a cost-efficient way. We will do this by being a Trusted Independent Software Development and Integration Partner to them.

We are committed to providing employees with the best place to grow. We provide them an opportunity to work on newer and exciting technologies with many of the best mobility companies in the world, thereby helping them grow faster professionally and at the same time offering them long-term incentivization for a secure future.

We are committed to our investors and other stakeholders by upholding the highest standards of financial and governance sustainability, with relentless focus on enhancing shareholder value and an emphasis on capital allocation and operational excellence.

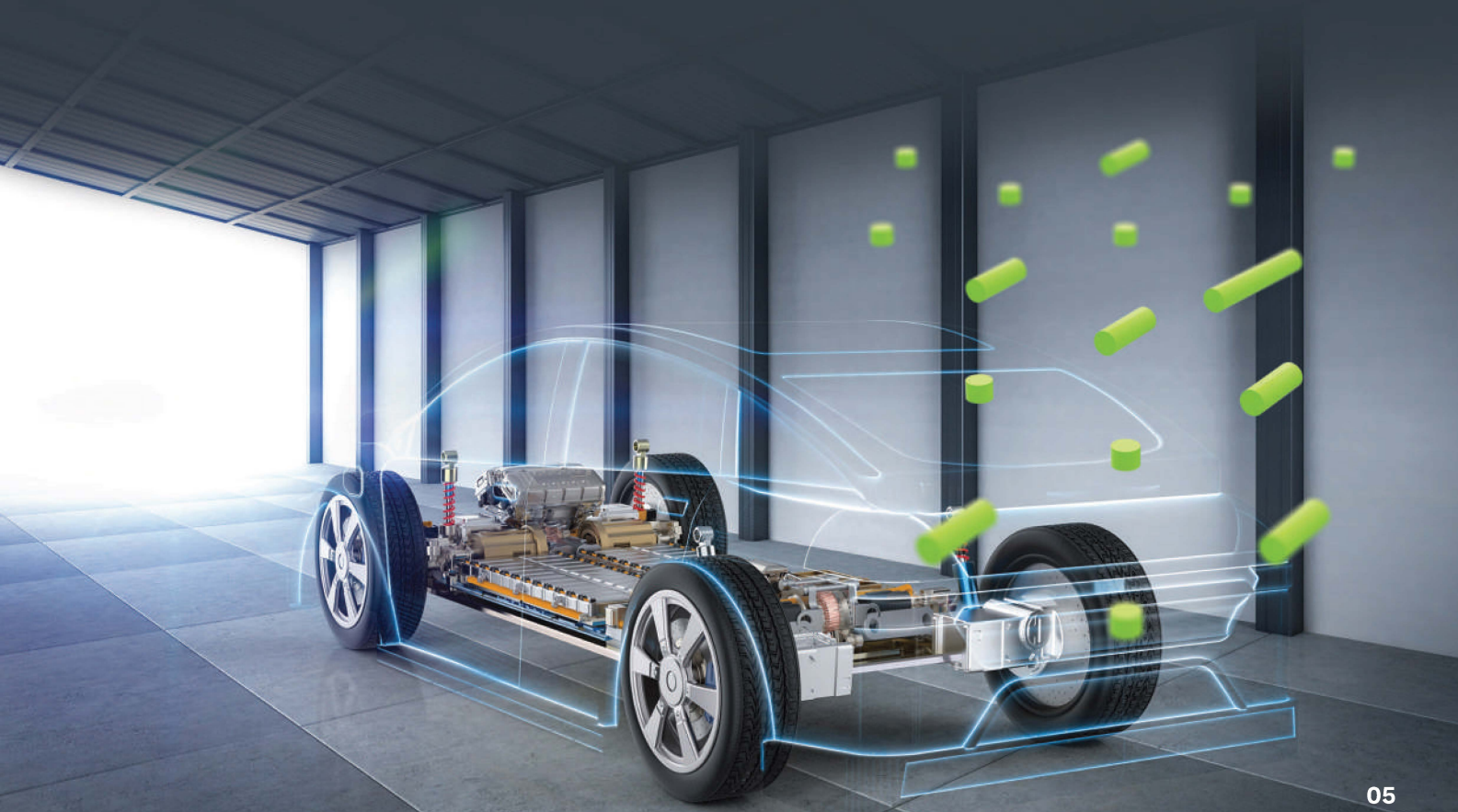
We are committed to the world at large with solid allegiance to environmental and social sustainability and a pledge to be a responsible corporate citizen in every country that we operate in - aided by our CSR focus on Education, Energy, and Environment with maximum Employee participation.

Gratitude

The last 5 years have been really stimulating and I, along with my team of 13,000+ Automobelievers, feel blessed to have your support throughout this period. We hope to enjoy even more enthusiastic patronage from all of you in the coming years. We believe we are on an exciting journey, filled with greater opportunities and opening higher leadership peaks for us to scale together.

Warm regards,

S. B. (RAVI) PANDIT
Chairman of the Board



Letter from the CEO & MD and President & Joint MD



Dear Shareholders,

The last year has been one of commendable financial performance for your Company. We are proud of this growth, and we would like to humbly acknowledge the various forces that have gone into enabling this. This year, we also celebrate 5 years of the new KPIT. In 2019, after the demerger, the new KPIT was announced, building upon the ideology of being a Trusted Partner to the global Mobility industry.

While Car and Truck makers are driving towards connected, autonomous, shared, and electric vehicles, pressing challenges face these vehicle manufacturers today. Some of their key priorities are to reduce the cost of vehicles, accelerate time to market for new vehicle launches, and constantly differentiate their brands. A clear understanding of business priorities backed by strong domain and technical expertise, presence across their global footprint, and high dependability is what can help our partners advance on their chosen paths.



The journey towards realizing our Vision of 'Reimagining Mobility with you for a Cleaner, Smarter and Safer world' has been a culmination of numerous initiatives led by teams across our organization. Over the last 5 years we have built deep domain expertise across mobility domains to be part of 6 global Software-Defined Vehicle (SDV) programs and invested in 6 specialized companies to deliver added value to our clients. Our global team of over 13,000 KPITians in 25 offices across 13 countries is committed to solving the most pressing challenges faced by our clients. Since 2019, KPIT has grown significantly, reaching over USD 587 Mn in revenue in FY23-24, a 40% growth in the last fiscal, and 56% EBITDA growth over FY23.

In line with our Vision, we recently re-articulated our Mission and Mission Imperatives. They include:

- Building and integrating Innovative Solutions through domain-specific practices
- Achieving Zero-Defect Delivery and Excellence at every touchpoint

- Being the Best Place to Grow
- Building Trusted Partnerships with our T25 clients
- Focusing on Sustainability in all aspects of our business

Innovative Solutions Across Practices

We lay importance on being ahead of the curve and delivering innovative solutions to the vehicle original equipment manufacturers (OEMs).

Early and reliable Validation is crucial for vehicle OEMs to ensure safety and compliance, and bring products to the market faster. We help our clients adopt quicker and more reliable methods of early Validation, making Software-Defined Vehicles (SDVs) a reality. We acquired Technica Engineering, a company creating cutting-edge technology in network architecture and system prototyping, in 2023, to help OEMs work towards lower vehicle costs and faster time to market through robust reference architecture platforms. KPIT partnered with ZF Group, a global technology company supplying advanced mobility products and systems, to promote an independent company QORIX with a focus on developing a world class automotive Middleware stack. We are helping OEMs in their transition into separate Hardware-Software Sourcing and Development which can allow them to increase their ownership of software and enable continuous enhancements and new feature rollouts through over-the-air (OTA) updates across domains.

We are helping OEMs in their transition into separate Hardware-Software Sourcing and Development which can **allow them to increase their ownership of software and enable continuous enhancements** and new feature rollouts through over-the-air (OTA) updates across domains.

Our investment in N-Dream AG, an early mover in the in-car gaming space, is aimed at enhancing the in-car experiences of the future. We continue to develop Tools and Platforms like KOAST (Timing Optimization, Analysis and Simulation), KITE (KPIT's Integrated Test Environment) and other platforms for Vehicle Engineering and Design to help OEMs meet their objectives.

Besides this, a key area of focus remains tapping into is the power of AI (Artificial Intelligence). A dedicated team of experts is working on applying AI at the organisational level with a view to improve productivity in parts of the entire software development and integration life cycle, create unique insights for our clients and accelerate automation in our systems and processes.

We are also working to solve the Cybersecurity challenges that come with new developments in the Connected Car landscape such as Over-The-Air updates and Services-on-Demand.

Zero-Defect Delivery

While we develop future-first technology solutions, we follow a Zero-Defect Delivery (ZDD) model across every team, every day. The ZDD framework enables our teams to monitor quality, productivity and potential risks across production programs, ensuring we deliver superior client experience, along with the highest-quality software. Our customer satisfaction (CSAT) score and Voice of Client (VoC) show an upward trend over the last 5 years, with the average CSAT score for 2023-24 reported to be 4.4 out of 5 on the day of writing this letter.

Being the Best Place to Grow

At KPIT, we invest strongly in how our Automobelievers can unlock the long-term growth and value they seek. We have identified Seven Behaviors that represent the culture we want our people to inculcate, and we encourage adoption of it to create a Culture of Excellence within the organization. To ensure we have access to the best talent across a niche and cutting-edge technology skillset, we partner with top-notch educational institutions. We co-create curriculum that is relevant for our clients and technology areas with these universities and

colleges. Through KPIT Academy, employees undergo rigorous learning and upskilling programs across technical, functional and managerial streams throughout their tenure. In FY24, 7,000+ KPIT employees leveraged KPIT Academy to upskill across business and technical topics. The Leadership Development Program at KPIT enables employees across the board to move into leadership roles within the company.

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Additionally, we have rolled out employee stock option programs (ESOPs) to ensure our employees get continued value that grows along with the company. These initiatives have been received positively, consistently driving our Employee Satisfaction (ESAT) score upwards to 4.3 out of 5 in 2023.

Trusted Partnerships with the Mobility Industry

Our T25 Strategy enables us to focus on a select set of Mobility OEMs and build deep and wide relationships with these clients. Around 90% of our business comes from our existing clients. The strength of our relationships is also reflected in our growing engagements with Mobility players, including major engagement wins across practice domains and geographies over the last fiscal. Through implementation of the Strategic Index process, we aim to evaluate current engagement levels with our clients and enhance client experience with a view to achieve profitable growth. Since the initiation of the Strategic Index exercise two years ago, we have seen multiple accounts move up the path towards being a Trusted Partner after every round of assessment. Through strong collaborations with Alliance partners across the chip-to-cloud Mobility ecosystem, we are creating synergistic value that helps us solve larger problems for our clients.

Sustainability as a Focus

As we work towards our Vision of Reimagining Mobility for a cleaner, smarter, and safer world, initiatives that make the world a better place take center stage amidst our efforts. In the last year, we partnered with leading consultants to develop a comprehensive Sustainability Charter, defined our long-term goals, Year 1 objectives, and created a detailed action plan with specific metrics and responsibilities. We aligned with Science-Based Target initiatives and developed a transition pathway to achieve Net Zero in KPIT's operations by 2030. A comprehensive activation and training program to inculcate this idea amongst KPITians across the globe and to encourage contribution towards the sustainability goals is already underway. During FY24, with solar roofing initiatives and energy consumption reduction plans, over 85% of KPIT India's energy needs were fulfilled by renewable sources. Additionally, our waste collection drives gathered 107.91 tons of material, reducing the amount of e-waste reaching the landfills. The last year saw over 40% of KPIT employees volunteering towards various Sustainability and Community Development Initiatives, planting 55,000 saplings with over 95% survival rate.

We intend to leverage our expertise to develop Strategic Sustainability Partnerships with our clients in each geography. With select clients, we are engaged and are working together on the sustainability charter and initiatives which will lead to a positive impact.

Looking ahead

- Going forward, we are enhancing our strategic engagements with existing and a select few new OEMs, continuing to deliver outstanding value to them.
- We are expanding into Off-Highway OEMs, specifically in agriculture and construction.
- China continues to dominate the market in the electric passenger car segment. At KPIT, we are increasing our presence and investments in China with a 2-fold strategy aimed at helping global OEMs retain market share in China and taking our learnings from China's auto-tech advancements to OEMs globally.
- We see larger opportunities in India, and we are continuing to invest in this market.
- We foresee our existing investments in Platforms and Products leading to additional licensing revenues in the time to come.

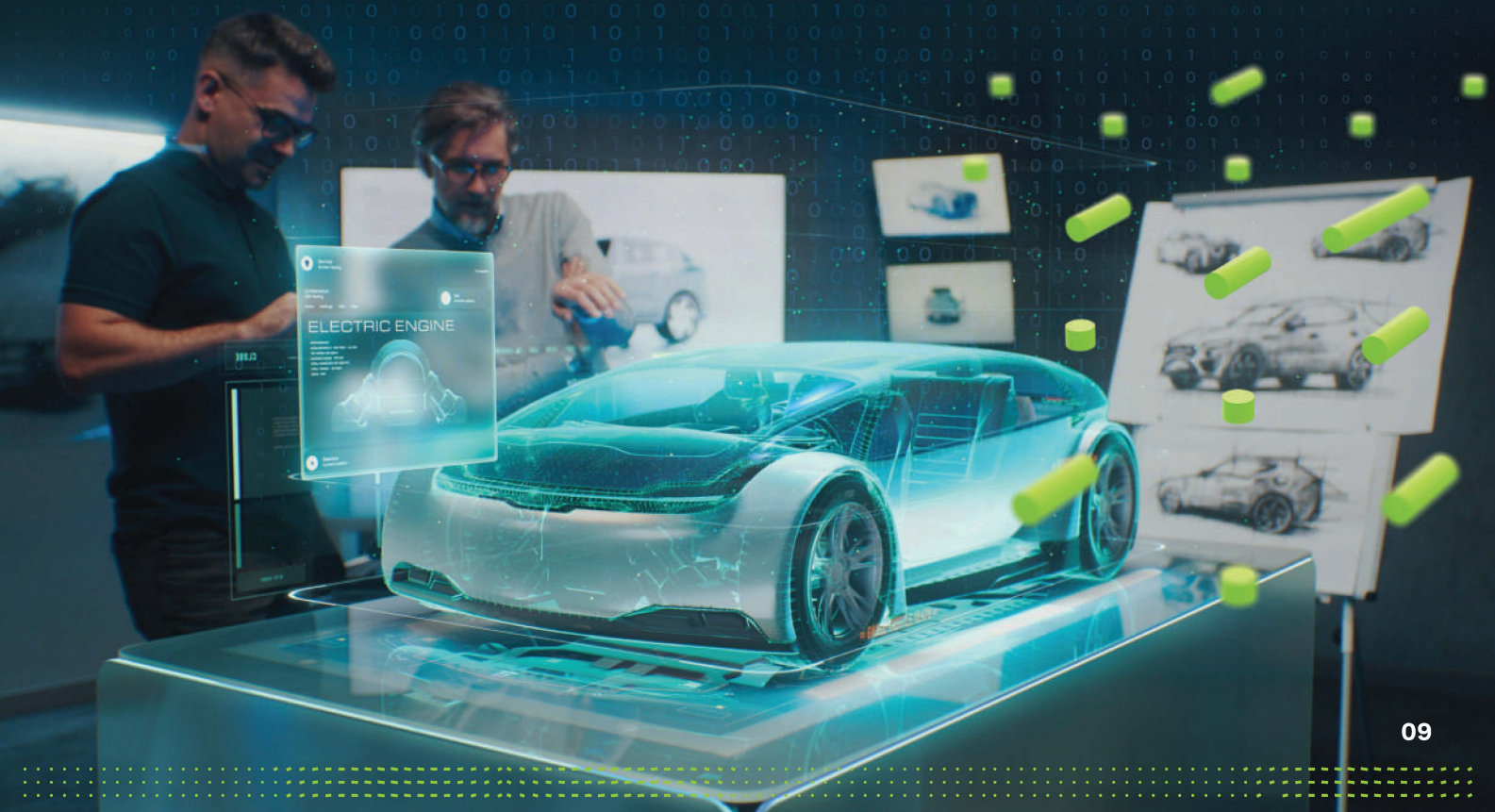
Through these initiatives and more, we are targeting an 18-22% growth rate with a profit margin of 20.5% for FY25.

It is a time of disruption for the mobility industry. In our role as a partner, we look forward to unlocking growth for the ecosystem, and helping our clients realize the immense potential ahead. We would like to thank our clients for their continued support, our colleagues for driving growth in every aspect they have been involved in, and our shareholders and analysts for ensuring we are on the right track to achieve excellence.

Best Regards,

KISHOR PATIL
CEO and Managing Director

SACHIN TIKEKAR
President and Joint Managing Director



BOARD OF DIRECTORS



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



Kishor Patil
CEO & Managing Director



Sachin Tikekar
President & Joint Managing Director



Anup Sable
Chief Technology Officer & Whole-time Director



Chinmay Pandit
Whole-time Director, Head of Geography (Americas) & CRO



Anant Talaulicar
Independent Director, Chairman of Nomination & Remuneration (HR) Committee & CSR Committee



Bhavna Doshi
Independent Director & Chairperson - Audit Committee



B V R Subbu
Independent Director & Chairman - Stakeholders Relationship Committee



Prof. Alberto Vincentelli
Independent Director



Prof. Rajiv Lal
Independent Director



Srinath Batni
Independent Director

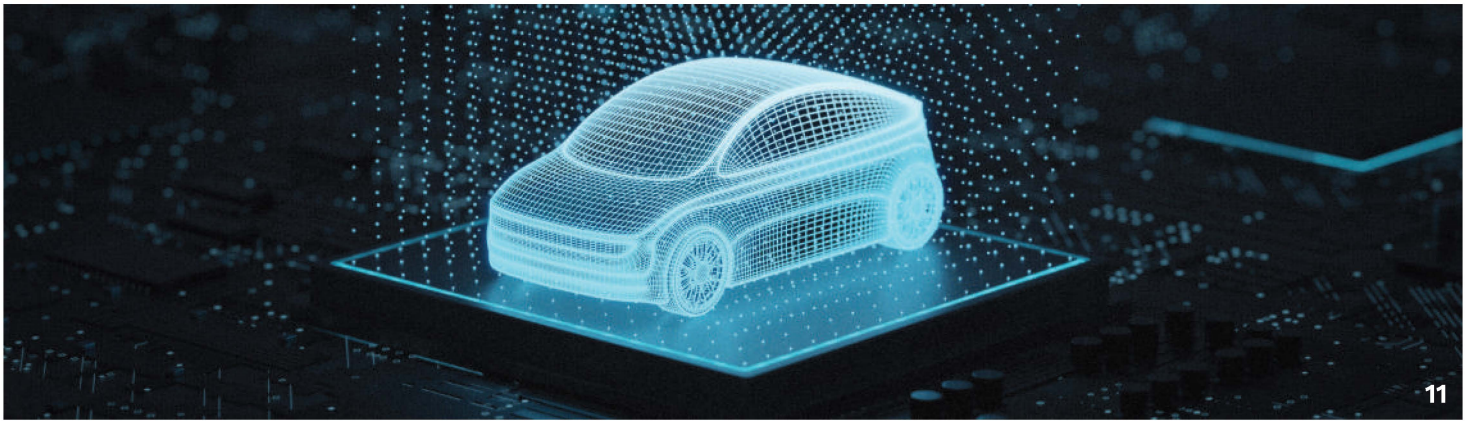
Our Solutions & Services

KPIT is a leading independent **software and systems integration partner,** helping Mobility leapfrog towards a cleaner, smarter, and safer future.

We are **trusted partners to global car and truck makers,** helping them solve the challenges of **time-to-market, cost competitiveness, and dependability.**

Over 13,000 KPIT automotive specialists across the globe are working on **cutting-edge technology solutions, services and PTAs** across Chip-to-Cloud ecosystem.

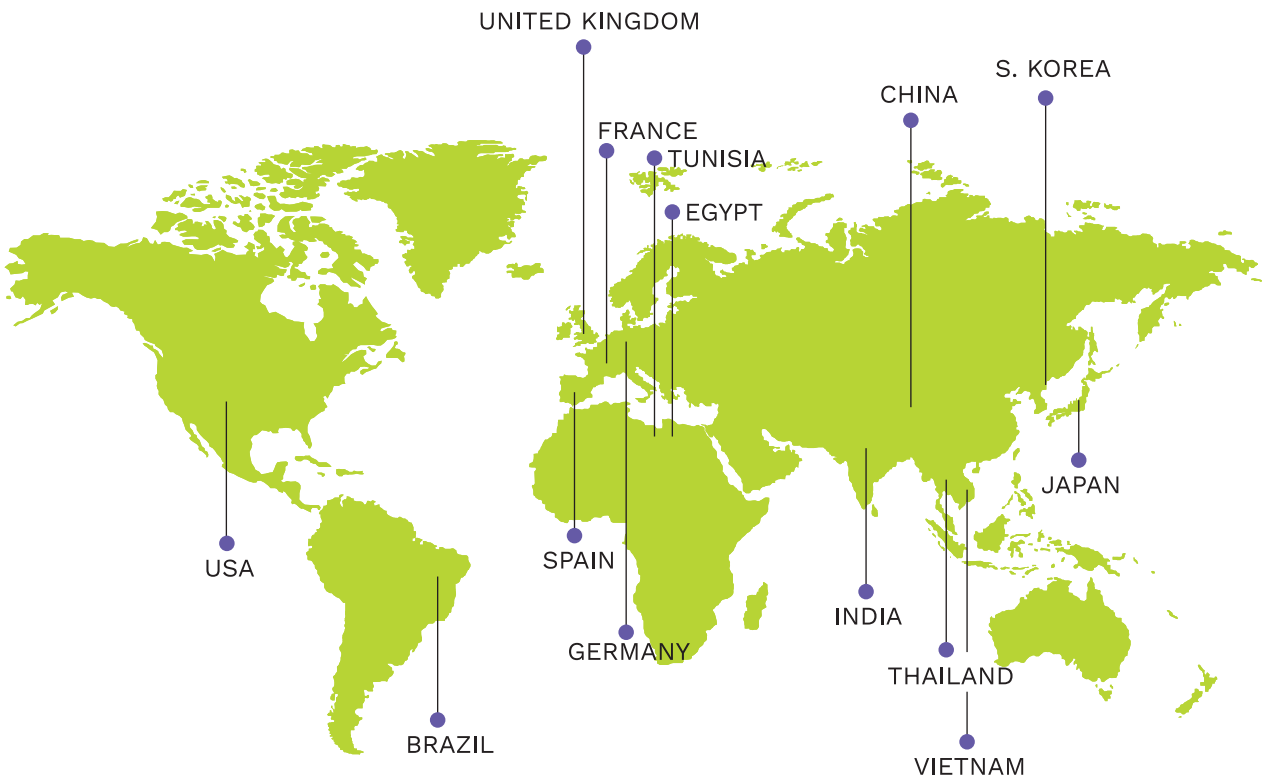
- **Autonomous Driving and ADAS**
- **Conventional and Electric Powertrain**
- **Cockpit**
- **Body Electronics**
- **Chassis**
- **Common Middleware for new-age E/E Architectures**
- **Cloud and Connectivity**
- **Edge Analytics and Data Management**
- **Virtual Engineering**
- **Vehicle Engineering and Design**
- **Vehicle Diagnostics and Aftersales Transformation**



Our Growth as a Mobility-First Partner

700+ Production Programs	75+ platform, tools and accelerators	25+ OEMs/Tier1 strategic partners	Strategic Partner to 6 SDV Programs
13,000+ Automobelievers	30 Centers of excellence	25+ Different Nationalities	10+ Mn Vehicles on road with KPIT software

Global Footprint to Accelerate Development



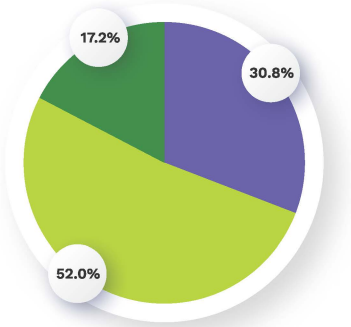
Map not to scale. Only for representation purposes

Financial Highlights

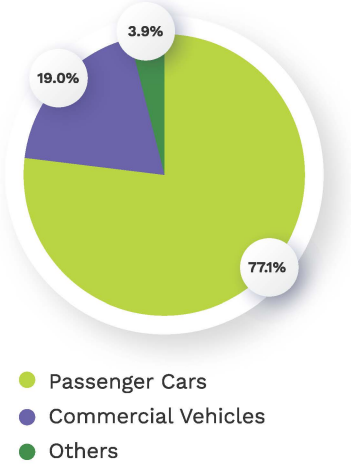
(Amount in ₹ million)

CONSOLIDATED INCOME STATEMENT	FY 2024	FY 2023
Sales ($ million)	587.3	418.3
Total Income	49,318.1	34,052.3
Total Expenses	41,313.7	29,084.4
Profit/(Loss) Before Tax	8,004.4	4,967.9
CONSOLIDATED BALANCE SHEET		
Share Capital	2,712.2	2,703.5
Other Equity	18,746.4	13,811.9
Total Shareholder Funds	21,458.6	16,515.4
Non-Controlling Interest	171.1	117.6
Non-Current Liabilities	4,923.4	5,692.3
Current Liabilities	15,125.9	11,680.5
Total Equity & Liabilities	**41,679.0**	**34,005.8**
Fixed Assets	5,237.5	4,472.7
Right of Use Assets	3,033.5	2,594.3
Goodwill on Consolidation	11,463.3	10,102.6
Other Non-Current Assets	1,780.3	1,820.4
Current Investment	16.4	20.7
Trade Receivables	7,489.5	5,924.4
Cash and Cash Equivalents	8,551.9	5,860.1
Other Current Assets	4,106.8	3,210.5
Total Assets	**41,679.0**	**34,005.8**
KEY RATIOS		
Long Term Debt-to-Equity	0.0%	0.0%
Total Debt-to-Equity	2.1%	2.9%
Cash/Total Assets	20.5%	17.2%

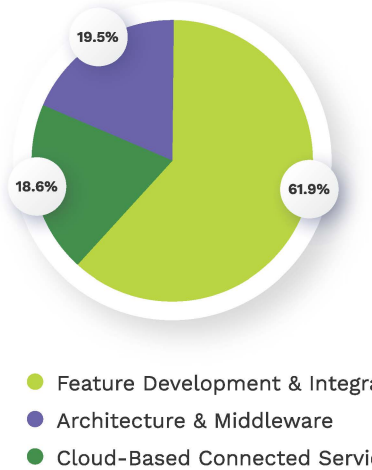
GEOGRAPHY



VERTICALS



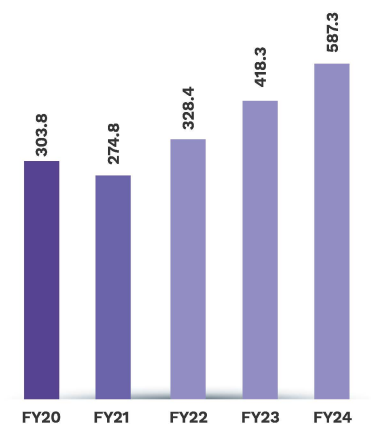
Practice



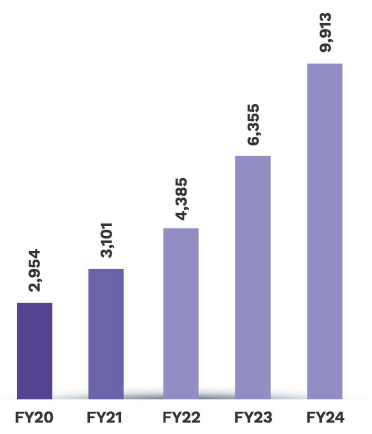
5 Years at a Glance:

Over the past five years, we have demonstrated consistent growth, becoming a trusted partner in the mobility industry. Our strong financial performance, bolstered by major deals in FY24, has set a solid foundation for the current financial year. We continue to invest in technology solutions which will help our clients solve their challenges of time to market, cost competitiveness and help them differentiate.

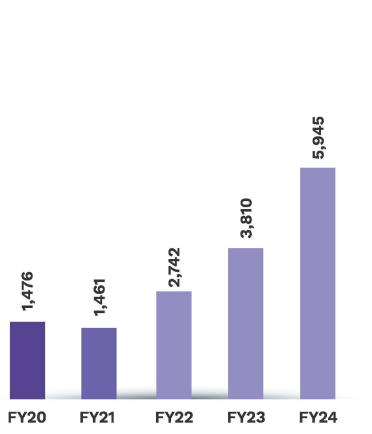
Revenue Generated
(In $ Mn)



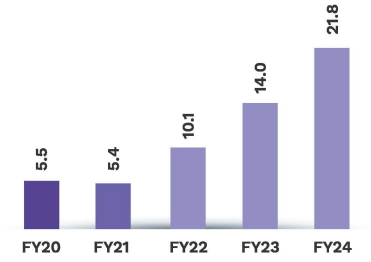
EBITDA
(₹ Mn)



PAT
(₹ Mn)



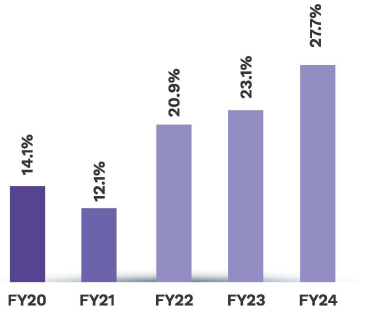
EPS
(Fully Diluted)



EBITDA
(In %)



ROE
(In %)



Reimagining Mobility: A Year of Innovation and Thought Leadership

With our growing expertise in software and technology leading to a wide range of innovative mobility solutions, FY 23-24 has been our most exciting year yet. By showcasing our capabilities as well as our thought leadership in the domain at Indian and international technology and mobility exhibitions, we built new relationships and reinforced our presence as trusted partners to the global mobility industry.

KPIT @ CES 2024 - Las Vegas, USA

Our largest and most exciting showcase at the world's most powerful Tech Event featured our hardware prototypes, virtual engineering, and advanced analytics developments.

Highlighting our developments across consumer and manufacturer needs, the showcase emphasized hyper-personalization and secure connected experiences, with a focus on data platform solutions for monetization. Other key solutions on display included massive simulation, generative AI for path planning, and a service-oriented architecture.





KPIT @ Bharat Mobility Global Expo 2024 - New Delhi, India

At Bharat Mobility Global Expo 2024, India's first global mobility show, we presented India's pivotal role in anchoring a global footprint in the world of SDV and showcased our continued involvement in it. Additionally, Mr. Omkar Panse, SVP at KPIT, also joined the exclusive panel discussing the topic 'Shaping the Future: Navigating India's ER&D Frontier for Software Defined Vehicles.'



KPIT @ ELIV - Bonn, Germany

In addition to being long-time attendees of the world's largest congress for automotive electronics, we were proud to be Gold Sponsors of the event this year.

With the focus on highlighting our validation strategy solutions, KPIT experts discussed navigating through the complex validation challenges arising within the software-defined vehicle architecture, and showcased to our clients how we are accelerating the transformation towards software-defined vehicles and demonstrating how our cutting-edge work can make their validation strategy SDV ready.

KPIT @ Synopsys Virtual Prototyping Day - Munich, Germany

For the second consecutive year, KPIT participated at Synopsys VP Day, alongside global automotive supply chain leaders in sharing experiences leveraging virtual prototypes for advanced software development use cases. Our experts Mukunda Byre Gowda, Subject Matter Expert, & Bharath Kumar Suda, Director Delivery, presented their industry insights on Early Evaluation of IPs and Software Bring Up on Multi-core TC4xx Controller Using Virtual Prototypes.

KPIT @ CAR Center Automotive Research IT Symposium - Stuttgart, Germany

Dr. Gabriel Seiberth, President of Europe & Member of the Executive Board at KPIT, addressed industry leaders and mobility enthusiasts at the CAR Center Automotive Research IT Symposium with his presentation on "Demystifying Car Software Architectures." Through his talk, Dr. Seiberth deconstructed industry misconceptions, and highlighted how OEMs' development processes and revenues stand to improve by working with the right software and technology integration partner.



KPIT @ the NASSCOM Technology and Leadership Forum 2024 - Mumbai, India

Building on the event's theme of Shaping the Techade, Kishor Patil, our Co-founder, CEO, and MD spoke at the NASSCOM Technology and Leadership Forum 2024 where he delved into "Tomorrow's Power: Energy Alternatives in Smart Environments" during a fireside chat, as well as shared his thoughts on how AI can play a strong role in developing autonomous vehicles.

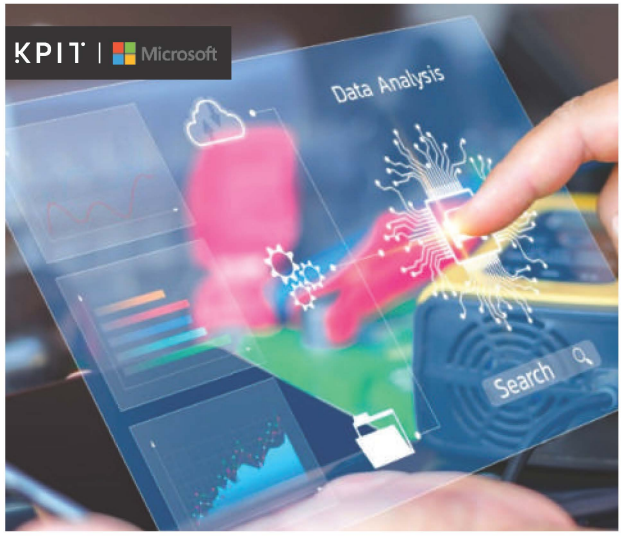
KPIT unveils breakthrough sodium-ion battery technology

KPIT joins a small and elite group of sustainability-focused organizations worldwide that have developed sodium-ion-based battery technology to alleviate lithium dependency. Sodium-ion battery tech offers an extended lifespan with 80% capacity retention for 3000-6000 cycles and faster charging capability as compared to lithium batteries. It has several use-cases for automotive and mobility, especially for electric two and 3-wheelers and commercial vehicles. This demonstrates the exemplary and synergetic industry-academia collaboration between KPIT and the Indian Institute of Science Education and Research (IISER), Pune.



KPIT develops Trace2Fix-based Copilot platform, in collaboration with Microsoft Azure

To expand the commercial potential across the mobility value chain, KPIT has partnered with Microsoft to introduce an Azure OpenAI-service powered Copilot. Built on Trace2Fix, our proven root-cause diagnostics platform, we have created the Copilot which will improve customer retention, and dealership profitability by transforming automotive repair and maintenance.



KPIT - Trusted Partner to the Mobility Industry

It has been five years since we as a company have re-focused solely on automobile engineering and technology solutions. Each step we take towards innovation and growth has been with one clear intention: to be a trusted partner to the mobility industry. Our focus on providing end-to-end services with zero-fault delivery has translated into our partners trusting us with helping fulfill their long-term automotive visions. This year has been one filled with key moments that have stemmed from that one intention.

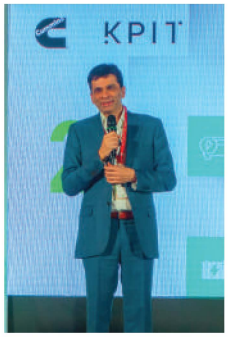
From celebrating our partnerships to how we are enabling visions of the future, here are some highlights in our commitment to driving the world of mobility.

Cummins

In the 20th year of our pivotal partnership, senior leaders from both companies along with team members commemorated the anniversary at our Pune campus, celebrating the strong relationship and joint impact created over the years.







Honda

Our long-standing relationship with Honda has evolved, with KPIT partnering to accelerate their SDM program transformation. Furthering our bond, KPIT was honored to host leadership members Mr. Toshihiro Mibe, CEO & President and Mr. Shinji Aoyama, COO & EVP on February 6th at our Pune Campus. The event saw the senior members inaugurate our newest auditorium, and participate in insightful executive dialogue with KPIT leadership about the strategic focus and scale of our collaboration.







QORIX

Identifying key opportunities in mobility ecosystem development, we have joined hands with ZF Technologies, to promote QORIX, an independent company. QORIX brings together the expertise of both organizations to specialize in building world-class modular middleware stacks, and has active engagements with OEMs & Tier-1 partners already underway.



Renault

KPIT has been chosen as the strategic technology partner for global auto giant Renault. The future-focused collaboration revolves around Renault's next generation Software-Defined Vehicles, and will encompass our expertise in mobility solutions, including ADAS, Chassis, Body Electronics, Platforms, Systems Engineering, and Vehicle Validation.



N-Dream

In our focus to address future visions of mobility, we have expanded our capabilities to reimagine the passenger experience of our vehicles by investing in N-Dream, a pioneer in the casual in-car gaming space. With their AirConsole platform and KPIT's integration expertise, this collaboration enables OEMs to transform experiences in the Cockpit of the Future.



BMW

We celebrate our strategic partnership with BMW group. As a software development and integration partner to them across domains like Electrification, Autonomous Driving, Digital Connected Solutions and SDV, we strive to help them to realize their vision.



PACCAR

With our vision to reimagine mobility for commercial vehicles, we expand and widen our over decade long relationship with PACCAR.

How We Make KPIT #TheBestPlaceToGrow

At the core of KPIT's journey to fulfill the visions of the mobility industry are our Automobelievers. Having expanded our global team to 13,000+ of the best and brightest talent from 25+ nations delivering innovative solutions for the future, we remain committed to our mission of making KPIT #TheBestPlaceToGrow

We look to ensure that our team members are best-equipped towards transforming their domains, and find ever-evolving value in their career. In this past year, our activities towards that goal have become even more holistic, and have resulted in tremendous positive outcomes.

Education

Aiming to maximize growth for everyone from new entrants to experienced leaders, our NOVA, GENESIS and Symphony Programs are designed to build competency through knowledge, skills and practical experience. NOVA, our collaboration with 25+ colleges, has seen 27,000+ students go through our industry-meets-academia learning, networking and internship program, from which we have hired over 2,000 engineers. GENESIS, our 9-month flagship program for freshers, provides upskilling opportunities in domain, technology, project management and behavioral skills.

We encourage continuous learning within one's career, and through our collaborations with e-learning platforms including edX, Udemy, Coursera and many others, we ensure various learning avenues are made available to our employees. Besides these platforms, there are a varied range of role-based certification programs offered for project management, technical streams of work and competency-based trainings. More than 7,000 employees have joined these platforms and taken up trainings, contributing to more than 250,000 hours of learning.

Additionally, we continue to expand our higher-education initiatives, which are focused on widening the horizon of the offerings for our employees. The M.Tech in Automotive Electronics and MBA in Strategic Engineering Management programs launched in collaboration with Coventry University have seen three cohorts with 100+ employees graduate with Masters degrees. We are also extremely proud to announce our collaboration with IIT Madras to offer three web-enabled M.Tech programs, as well as with BITS Pilani to offer an M.Tech in Automotive Electronics as part of the Work Integrated Learning Program especially designed by BITS for working professionals.

27,000+
NOVA Participants

2,000+
KPITians completed the Symphony e-Learning Module

60+
Senior Leaders at the Symphony Leadership Workshop

1,481
GENESIS-trained Engineers

147
Employee-Graduates of the KPIT Coventry Masters Programs

4
New Higher-Learning Programs with IIT Madras & BITS Pilani

In Action

What sets KPIT apart as the workplace of the future is that 90% of our engagements are in new technology. Be it fresh or experienced team members, our Automobelievers are at the forefront of mobility and energy solutions.

The projects themselves offer growth opportunities of a different scale. With KPIT working on programs for Renault, Honda and other global auto giants, our team members are actively involved in unlocking new possibilities in mobility through complex projects for software integration, high-performance computers, software-defined vehicle development and various other domains.

Where Career Tracks Go Further, Faster

Within our focus of being a pure-play automotive engineering and mobility solutions company, we recognize the extensive spectrum of careers in which people can set on and grow.

With 13+ career paths across streams available for our Automobelievers, we work closely with each one, and craft well-defined individual development plans & role-based competency frameworks to help them progress systematically in their mobility career at KPIT.

Paired with our training and education focused approach, this has resulted in 90% of leadership roles being fulfilled internally by high performers, and over 75% promotions being awarded at lead roles and above. In the last 5 years, KPIT has grown significantly, and our people have reached new heights in their careers as well.

Growth Beyond Work

We also recognize that growth and impact can happen beyond the work we do in our offices.

For the members of KPIT, we also create opportunities in crucial areas where we can implement change towards making a cleaner, smarter, and safer world. Working with our active CSR team and 25+ NGO partners, our employees lead and organize social wellness initiatives across different sectors.

From inspiring and training young students in STEM activities, to packing food and health kits for the needy, to restoring the planet's green cover with plantation drives, thousands of KPITians have used their strengths and gained wider experience while tackling challenges in energy, education and environment.

We are proud to foster all-round growth for our Automobelievers, and to continue supporting them in making a better present and future.









BUILDING THE
FUTURE OF MOBILITY

The future is limitless, with visions of mobility and how they can be brought to life constantly evolving as science and technology progresses. At KPIT, we look to empower scientific thinkers and tinkerers, new and experienced, in India and across the globe, and help them bring about those evolutions.

From providing a platform for new solutions, encouraging deeper subject exploration and promoting wider perspectives in the fields of mobility, energy and STEM, we aim to keep inspiring the next generations of STEM professionals to drive innovative thinking and build a better future.



KPIT Sparkle - Sparking New Ideas

On 7th March 2024, we held the 10th edition of KPIT Sparkle, our innovation contest at our Pune campus.

The event marked a decade of our focus towards fostering mobility and energy solutions from local and international student innovators.

Aligning with our overarching concept for software and technology innovation for mobility, nine distinct themes that explored different facets of the industry were curated for students around which they would develop their projects.

With a monumental number of entries - 1,500+ ideas - this year, 100+ Senior Technical Leaders from KPIT assessed submissions and their real-world application feasibility in three stages over 9 months. Eight finalists were selected who would contest for the coveted cash prizes of 12 lakhs

The event was graced by Dr. Tessy Thomas, Ex-Director General of Aeronautical Systems, DRDO, also known as "the Missile Woman of India" as the chief guest, who was joined by Padma Vibhushan Dr. RA Mashelkar. In addition to the strong turnout of students and KPIT personnel at our Pune Campus, the event was watched by over 8,000 people via digital stream.

STATS

19,765
Registrations

1,518
Ideas

433
Colleges

44
International Registrations

KPIT Sparkle Winners:



Platinum Award prize money of INR

7,00,000

Team G-Rex
Kongu Engineering College
Perundurai, Tamil Nadu

Innovative Design & Development of an efficient indigenous hydroxy (HHO) gas generation system for SI engines using the dry cell electrolysis method.



Gold Award prize money of INR

5,00000

Team Krenoviantz
Sri Krishna College of Engineering and Technology, Coimbatore, Tamil Nadu

Developing an innovative Plug-in Kit for Ready Charging, offering a sustainable solution for electric vehicles.

KPIT Shodh - Recognizing Innovation and Research

As part of our activities honoring the importance of depth in scientific knowledge, we also held the latest edition of the KPIT Shodh Awards, an annual international award program launched by KPIT Technologies recognizing the work of individual Ph.D. researchers.

Aiming to encourage greater research and development in the domains of Energy and Mobility, the awards acknowledge the accomplishments and groundbreaking findings of candidates involved in the space.

35+ Ph.D. Scholars from within KPIT assessed thesis submissions from around the world and evaluated the participants' presentations of their work.

STATS

130
Thesis Submissions

45
Theses from NIRF Top 100 Colleges

85
Other National and Global Submissions

KPIT Shodh Winners:



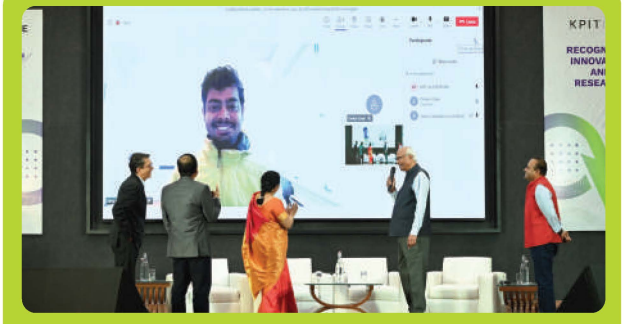
BEST GROUNDBREAKING RESEARCH AWARD

Mr. Vijayakumar Kanchetla

Indian Institute of Technology, Mumbai

Thesis: "Dhruva: A global navigation receiver chip for NavIC, GPS, Galileo, and BeiDou."

Highlight: Showcasing significant advancements in navigation technology



BEST THESIS AWARD

Mr. Debattam Sarkar

Jawaharlal Nehru Centre for Advanced Scientific Research, Jakkur

Thesis: "Tailoring of Chemical Bonding, Electronic Structure and Lattice Dynamics to Achieve High Thermoelectric Performance in Metal Chalcogenide"

Highlight: Showcasing innovations in thermoelectric materials

KPIT STEM Dialogues

At KPIT Technologies, we believe that science and technology have the potential to change the world for the better. We work to inculcate a scientific attitude amongst people and for them to nurture a passion for STEM education. We look to do this by empowering them with broader perspectives, greater curiosity and a reasoning-based approach to looking at the world, and to take on its challenges and its possibilities.

In addition to promoting student activities and research competitions, the idea has translated into our new initiative known as KPIT STEM Dialogues, our digital video discussion series, hosted by our Founder, Ravi Pandit. Through this, we connect with renowned scientists and thought leaders from around the world to share their scientific journey, insights on the future of science, and how it can positively impact the careers and lives of people globally.

Since we started this program in 2023, KPIT has hosted 3 global scientists, who shared their experiences in their STEM careers and their views on the future of their domains.

Highlights:

Dr. Bjarne Stourstrup, Inventor of C++, spoke of the evolving challenges he faced while exploring academia as a student to how his STEM experiences led him to develop a solution that changed the world.

Dr. RA Mashelkar, Padma Vibhushan, discussed the power of ideas, risk taking and bigger-picture thinking as what shaped his journey and how great scientific contributions are never limited to only budgets.

Dr. Alan Finkel, Former Chief Scientist of Australia, spoke of how changes in our knowledge of fundamental materials like silica and lithium have catalyzed the change in technology and green energy around the world.







Driving Sustainability

Since the beginning, we have always been actively involved in making the world cleaner, smarter, and safer. Our extensive programmes have created a positive impact on the people and communities around the world. While our efforts have resulted in real change, it has become clearer that the ongoing climate challenges demand greater decisive action, which needs to take place in this critical period to ensure a better future.

KPIT's new sustainability programme focuses on making positive change at scale through every aspect of our organization. Integrating our company missions with sustainability-oriented approaches, we are building ways for our KPITians to take an active role in effecting change; and are developing how we can work with our clients and partners to create impact at scale moving forward.









Positive Change Through Our Missions

Sustainability in all aspects of our business

Our goal to reach Net Zero Emissions in our operations by 2030 has been one of our top priorities, and our efforts over the years as an organization have brought us on track to meet that target. We have carried out major overhauls to our campus to cut out non-renewable energy dependency, to conserve water, and to process waste and e-waste, which have resulted in considerable and steadily declining emissions.

1,600+ GJ
Energy saved

500+ MT
of CO2 equivalent emissions reduced

12.02 MT
Waste generation reduced

Trusted Partnerships with our T25 Clients

To create impact at scale, we are working with our T25 clients globally on exploring how to include a sustainability-focused aspect in the scope of our work together every year. As an activity, we look to create multi-fold value for them, by executing on their solution requirements as well as improving the environmental impact their product has in the larger market.

Delivery & Excellence

Committed to achieving zero-defect delivery and excellence at every touch point, we are training our IT engineers in green coding principles. By adopting lean practices, our teams can eliminate redundant pieces of code, leading to reduced emissions caused by excess processing power requirements. We continue to encourage building reusable code and using open-source software to reduce the time and potential development errors, leaving greater room for them to innovate and improve solutions.

Domain-specific practices

As with everything else, we look at the solutions we develop through a sustainability perspective. At KPIT, each of our Domain-specific Practices has committed to develop solutions that can contribute significantly towards a sustainable future. For instance, our Hydrogen Fuel Cell technology, and the recent launch of the Sodium-ion battery, are important pathways towards creating alternative mobility. Similarly, the Virtual Validation offering reduces the time and materials involved in hardware-based validation, while XR-based virtual prototyping reduces CO2 emission in vehicle design. Thus, all our Practices aim to contribute to the sustainable future of mobility.

Employees and the Environment at The Best Place To Grow

KPITians have been key on-ground changemakers through our ESG activities around the globe.

Working along with our CSR team, 25+ NGO partners as well as local communities, our employees have led initiatives in waste management, rural water security, and green cover restoration.

Under waste management, different teams of KPITians participated in activities such as the Pune Waste Pickup drives in partnership with Cummins India, the Mutha River Cleanup, the Chennai Beach Cleanup, and Park Cleanup activities in Novi, Michigan.

To help improve rural water security, KPITians helped build indigenous reservoirs for dry-season water storage in the Nalwat Village, and worked closely with villagers and the NGO Jnana Prabodhini, to build a well that alleviates the external water dependency for over 500 people in Dhangar Vasti, Malegaon.

In our expanding efforts to improve tree cover, our employees added to our decade-long reforestation activities in the Koyna-Chandoli corridor, with 2,000 more trees this year, as well as to our collaboration with the 14 Trees Foundation to help create generating employment opportunities for locals in Vetale by planting 666 commercially viable tree saplings. The plantation activity was also successfully carried out in Bangkok by KPITians in the Thailand offices.

Moving forward, we also aim to instill amongst KPITians a culture of taking sustainability-focused actions both in their professional and personal lives, to create collective change through individual efforts.













52,900 trees
Cumulatively planted

12 Lakh Liters
Of water made accessible

108+ tons
Of e-waste collected & processed

Additional Employee Impact Areas

Beyond the eco-focused activities, our KPITians have also worked towards community development.

Healthcare initiatives included blood donation drives across our India, Brazil, Thailand and USA offices, as well as food donation drives and feminine hygiene kit packing activities in the USA.

In education, local KPIT volunteers conducted our Chhote Scientists program in Pune, as well as Junior Scientists, its global extension, in Thailand and the USA. The initiative saw experienced engineers introduce science concepts and conduct basic experiments for young school students. Additionally, KPIT also held student science competitions in which our engineers volunteered as jury members.

Other community activities included visiting underprivileged youths in the Colmeia institute, winter clothes collection drives and skill development sessions for homeless people in Brazil, Annadaan food grain donation drive in India and the latest edition of the Mill Race Marathon and Kids Fun Run in the USA.

12,175
volunteering hours

4,682
employees

8,529
engagements

108,766
lives impacted













BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Seventh Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2024.

PERFORMANCE OF THE COMPANY

(In million)

Particulars	Standalone 2023-24		Consolidated 2023-24	
	USD	INR	USD	INR
Revenue from operations	243.11	20,166.02	587.31	48,715.41
Profit before Tax (PBT)	52.81	4,380.47	96.50	8,004.39
Profit after Tax (PAT)	39.40	3,268.28	72.15	5,985.13

RESULT OF OPERATIONS

During the year under review, the total revenues from operations (consolidated) increased to ₹ 48,715.41 million (previous year ₹ 33,650.38 million), a growth of over 44.8 % of the previous year. Earnings before interest, tax, depreciation and amortization was ₹ 9,913.27 million on consolidated basis with growth of over 56 % over previous year. Profit after tax (consolidated) increased by 54.71 % to ₹ 5,985.13 million (previous year ₹ 3,868.63 million).

In US Dollar terms, revenues from operations for the year on a consolidated basis was $ 587.31 million as against $ 418.28 million for the previous year, a growth of 40.4%. Average realization rate was ₹ 82.95 per US Dollar.

Standalone sales for the financial year 2023-24 grew by 32.98 % to reach ₹ 20,166.02 million (previous year ₹ 15,164.29 million). Net profit after tax increased by 16.66% to ₹ 3,268.28 million (previous year ₹ 2,801.61 million).

DIVIDEND

The Board of Directors of the Company declared Interim Dividend of ₹ 2.10/- per equity share of face value of ₹ 10/- each (at 21%). The Board of Directors is pleased to recommend a final dividend of ₹ 4.60/- per equity share of face value of ₹ 10/- each (at 46%) on the paid-up equity share capital of the Company for the year under review. The total payout will amount to ₹ 1,837 million including dividend distribution tax.

The Company do not propose to transfer any amount to general reserve on declaration of dividend to the shareholders.

The Dividend Distribution Policy is uploaded on the website of the Company (https://www.kpit.com/investors/policies-reports-filings/).

AWARDS, RECOGNITION AND PARTNERSHIPS

- KPIT won the **ET Energy Hydrogen Leadership Award, 2023**- a category that recognizes an organisation that has demonstrated outstanding efforts in advancing the use of Hydrogen as a clean and sustainable source.
- KPIT was awarded Silver at the **Digital Impact Awards for Best Use of Existing Social Media Platforms** (Small Budget).
- KPIT was adjudged as the winner of the **Overall Electric Vehicle Technology of the Year** award from AutoTech Breakthrough awards.
- KPIT won **NASSCOM Spotlight Innovation Award** for Ideation to Engineering Leadership for Hydrogen Fuel Cell Technology.
- KPIT was recognized with the **Mahatma Award for CSR Excellence 2023**.
- Our Chairman, Mr. S. B. (Ravi) Pandit, received the prestigious **Mahatma Award 2023 for Lifetime Achievement**.

QUALITY, PRODUCTIVITY AND INNOVATION

Delivering Zero Defect is one of our key strategies to achieve our Mission of becoming a leading software integration partner in mobility. To achieve this objective of ensuring zero defect delivery to our customers, we had designed a comprehensive quality framework covering key initiatives in the areas of People, Process and Technology with a focus on improving performance at Project/Program level, Practice level and Unit level. Like every year, we took up key initiatives for the current year from this framework, put a detailed plan for each, defined processes keeping sustenance and scalability in mind, improved it through pilots and then deployed across all projects through rigorous tracking. Initiatives that were deployed during the previous year were sustained through strong governance.

There is continuous focus on achieving First Time Right mindset, which in turn will result in improving Zero Defect Delivery to our Customers. We improved our measurement mechanism on 'First Time Right' and 'Zero Defect Delivery'. We improved our Katapult framework that was deployed for

Board's Report (Contd.)

measuring quality of code and test. We improved coverage on this. This resulted in significant benefits to customer in terms of achieving product quality on a continuous basis. On project productivity, we defined size measures for major category of projects and brought in systems and measurement mechanism. We have put in individual productivity measurement in place on few projects as pilot and have a plan to scale it up.

We adopt continuous improvement as a strategy to achieve efficiency in our processes and to keep pace with new trends. These improvements come through learnings in the projects, feedback from customers and ideas from the employees. During the year, we started working on improving our capability on Agile. On this journey, we engaged a senior consultant from the industry, who is part of working group on Agile SPICE and an iNTACS certified principal assessor on SPICE and ASPICE. We enhanced our processes for Agile implementation and the next step is to deploy across projects. Some work is done on Cybersecurity and the next plan is to complete definition and deploy on applicable projects and go for certification.

A new system was developed for competency management by integrating different tools. During the year, all the projects migrated to this new system. This helps in getting a heatmap on skill gaps at project, practice and individual level, and plan improvement actions. We also defined a single number to measure competency at project level, which can be aggregated at practice, account and unit level and track improvement with a goal month on month. Overall, this system helps in tracking improvement in competency at individual level, project level and practice level, thereby resulting better quality output to our customers.

To sustain quality with our scalability, there is more dependence on our tools, and systems. In this direction, we took up many other automations during the year and the complete focus was on system driven approach. These automations combined with process locks in the system and visual dashboards, helped us in ensuring uniform implementation across projects, having better visibility on status, and driving the rigor on quality to achieve our goal of zero-defect delivery.

As a result of all these initiatives, we could achieve and exceed our goal on CSAT rating from customer with a consistent higher coverage in all quarters during the year. We could also achieve downward trend on high-risk projects. While we continue to sharpen our quality focus through internal initiatives, our commitment to quality is ratified by our consistent endeavour in certifying ourselves to the best standards in the industry. We are gearing ourselves to achieve certification on ISO21434 Cybersecurity in coming year. We continue to maintain our quality certifications on Automotive SPICE and ISO 9001.

SHARE CAPITAL

The issued, subscribed, and paid-up capital of the Company as on March 31, 2024, is ₹ 2,741.43 million consisting of 274,143,808 equity shares of ₹ 10/- each.

INSTITUTIONAL SHAREHOLDING

As on March 31, 2024, the total institutional shareholding in the Company is 37.98 % of the total share capital.

ICRA RATINGS

ICRA has assigned the (ICRA) A1+ as short-term rating and (ICRA) AA with the "Stable" outlook as the Long-term rating.

INFORMATION ABOUT THE SUBSIDIARY & ASSOCIATE COMPANIES

As on March 31, 2024, the Company has 22 subsidiaries and 1 associate Company.

In accordance with Section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") the Company has prepared consolidated financial statements of the Company and all its subsidiaries & associate company, which forms a part of the Annual Report. A statement containing salient features of the financial statements of the subsidiaries & associate company 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.

Ministry of Corporate Affairs (MCA), vide General Circular dated September 25, 2023 has allowed the companies to conduct Annual General Meeting (AGM) through VC / OAVM on or before September 30, 2024, without the physical presence of the Members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM.

Further, MCA vide its General Circular dated September 25, 2023 & SEBI vide its circular dated October 07, 2023 read with its Master Circular dated July 11, 2023 has extended relaxations from dispatching physical copies of annual report to the shareholders, for the AGMs conducted till September 30, 2024. However, Companies are required to send hard copy of full annual reports to those shareholders who request for the same. The members interested in obtaining a soft copy of the audited annual accounts of the Company and its subsidiary companies may visit investor section on website of the Company www.kpit.com.

DIRECTORS

Pursuant to the provisions of Section 152 of the Companies Act 2013, Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar retire by rotation at the ensuing AGM and, being eligible, offer themselves for reappointment.

Board's Report (Contd.)

According to the provisions of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015], the Board at its meeting held on April 29, 2024, pursuant to the recommendation of Nomination and Remuneration (HR) Committee, continued the appointment of Mr. S. B. (Ravi) Pandit as Non-Executive Director, liable to retire by rotation on account of his attaining the age of 75 years (Date of Birth: March 29, 1950) subject to approval of the shareholders in the ensuing AGM.

Dr. Nickhil Jakatdar completed his term as an Independent Director of the Company w.e.f. January 15, 2024, end of business hours and consequently ceased to be a Director of the Company with effect from the end of business hours of said date.

During the year under review, the members of the Company had approved the following appointments at the AGM held on August 29, 2023.

Mr. Anant Talaulicar has been re-appointed as Independent Director for a second term of five years upto January 15, 2029. Prof. Alberto Luigi Sangiovanni Vincentelli has been re-appointed as Independent Director for a second term of three years upto January 15, 2027. Mr. B V R Subbu has been re-appointed as Independent Director for a second term of two years upto January 15, 2026. Mr. Srinath Batni has been appointed as Independent Director for a first term of five years upto July 24, 2028.

Mr. Kishor Patil has been re-appointed as Chief Executive Officer (CEO) and Managing Director of the Company for a further period of five years upto January 15, 2029. Mr. Sachin Tikekar has been re-appointed as Joint Managing Director (Whole-time) of the Company for a further period of five years upto January 15, 2029.

INDEPENDENCE OF THE BOARD

The Board of Directors of the Company comprises of an optimum number of Independent Directors. In the opinion of the Board, the independent directors possess integrity, expertise, and experience (including proficiency). Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the SEBI (LODR) 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. Ms. Bhavna Doshi
5. Prof. Rajiv Lal
6. Mr. Srinath Batni

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. Ms. Priyamvada Hardikar - Chief Financial Officer.
3. Ms. Nida Deshpande – Company Secretary.

BOARD EVALUATION

As a part of the annual board evaluation, detailed questionnaires were circulated to all the Directors. On the basis of responses received on these questionnaires, the Chairman of the Board and the Chairman of the Nomination and Remuneration (HR) Committee evaluated the Board's performance and that of its committees. The Board also conducted evaluation of independent directors which included performance of directors and fulfilment of criteria as specified in Regulation 17 (10) of SEBI (LODR) Regulations, 2015, and their independence from the management, where the independent directors did not participate. For more details, please refer the Report on Corporate Governance which forms a part of this Annual Report.

BOARD MEETINGS

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

COMMITTEES OF BOARD

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

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND COMPENSATION

The Nomination and Remuneration Policy of the Company provides for the 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 with integrity, possessing relevant skill set, expertise and experience 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 compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating thereto.

Board's Report (Contd.)

Pursuant to the provisions of Section 134(3)(e) of the Act, the said policy of the Company on the appointment and compensation of Directors including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is available on Company's website at the link: https://www.kpit.com/investors/policies-reports-filings/

COMMITTEE RECOMMENDATIONS

During the year, all the recommendations of the Audit Committee, Nomination and Remuneration (HR) Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Enterprise Risk Management Committee were accepted by the Board. The composition of the Committees is as mentioned in the Report on Corporate Governance, which forms a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

KPIT has always been a socially responsible organization while creating a significant impact through its focus areas of Education, Energy and Environment, driving them primarily through Employee Engagement at the core of all the focus areas.

Our commitment stays and is demonstrated across every region and every location where KPIT is present worldwide.

Our employees and their families continued their participation in various CSR activities to create and contribute towards a cleaner, smarter, and safer world.

The Company had constituted a Corporate Social Responsibility (CSR) Committee and has framed the Policy on Corporate Social Responsibility as per the provisions of section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy including annual action plan is available on Company's website at the link: https://www.kpit.com/investors/policies-reports-filings/ The Report on CSR activities of the Company for FY 2023-24 is annexed to this Report as "Annexure 5".

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a vigil mechanism/whistle blower policy as per Regulation 22 of the SEBI (LODR) Regulations, 2015 to report the genuine concerns about the Company. The details of the same are explained in the Report on Corporate Governance. The Policy on Vigil Mechanism & whistle blower may be accessed on the Company's website at the link: https://www.kpit.com/investors/policies-reports-filings/.

AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm's Registration No. 101248W/W-100022) ("BSR") were re-appointed as the Statutory Auditors of the Company in the AGM held on August 29, 2023, for a period of five years to hold office up to the conclusion of AGM to be held in the year 2028.

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

The Board of Directors of the Company appointed Dr. K. R. Chandratre, Practicing Company Secretary, as the Secretarial Auditor to conduct audit for the year under review. The Secretarial Auditor's report for the year under review is annexed to this Report as "Annexure 6". The Auditor's 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 the adequacy of internal financial controls with reference to financial statements for the year under review and the operating effectiveness of such controls.

CORPORATE GOVERNANCE

A separate section on Corporate Governance forms a part of this Report. The Auditors' Certificate in respect of compliance with the provisions regarding Corporate Governance, forms a part of this Annual Report, as required under the SEBI (LODR) Regulations, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report giving detailed information on the operations, performance and outlook of the Company and its business forms a part of this Report.

PARTICULARS OF EMPLOYEES

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration not less than ₹ 1 crore 2 lakhs 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". Further the employees who were employed for a part of the financial year and received remuneration not less than ₹ 8.5 lakh per month under the said Rule forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this report is being sent to the Shareholders excluding the aforesaid information. The said information is available for inspection. Any shareholder interested in obtaining said information may write to the Company at grievances@kpit.com.

Board's Report (Contd.)

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

EMPLOYEES STOCK OPTION SCHEMES

The Company has Employees Stock Option Plans which are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

- KPIT Technologies Limited – Employee Stock Option Plan 2019A
- KPIT Technologies Limited - Restricted Stock Unit Plan 2022.
- KPIT Technologies Limited – Employee Stock Option Plan 2019

  (During FY 2023-24, all the options under the said scheme are utilized. Accordingly, the scheme stands closed.)

In compliance with Regulation 14 of SBEB Regulations, the information relating to the said plans is annexed to this Report as "Annexure 4" and the same is available on Company's website at the link: https://www.kpit.com/investors/corporate-governance/

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a policy on prevention of sexual harassment at workplace and has put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

The Company takes various measures to create awareness amongst employees such as sending emails/ communications, conducting awareness sessions and deploying e-learning module etc. for prevention of sexual harassment of women at workplace.

During the year under review, Nil cases were reported with the POSH committee. There were no complaints pending as on March 31, 2024.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2023-24.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The provision regarding difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable to the Company during the financial year 2023-24.

DEPOSITS

The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 (as amended) and the rules made thereunder, to the extent applicable.

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO STIPULATED UNDER SECTION 134(3)(M) OF THE ACT, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

CONSERVATION OF ENERGY

Energy conservation has long been a core priority for KPIT. As part of our dedication to sustainability, we are pleased to announce that we have transitioned to sourcing 100% Green Electrical Energy for our offices in Bangalore and Munich, Germany. In addition to leveraging solar energy, we have also undertaken measures to incorporate green energy for the remaining energy consumption at our Pune office.

The HVAC and IT equipment collectively account for approximately 75% of energy consumption. Therefore, our focus has been on optimizing HVAC operations to enhance efficiency. The utilization of an efficient HVAC Variable Refrigerant Flow (VRF) system provides heightened efficiency and flexibility, allowing for precise control over smaller areas in accordance with operational needs. Various practices have been implemented, such as adjusting AC temperature settings, monitoring AC systems based on occupancy, seasonal adjustments to AC temperatures, and shutting down unused lights and equipment on respective floors, all of which are rigorously monitored and enforced. Also implementing regular checks to power down monitors and machinery during non-operational hours and weekends to reduce IT equipment power consumption.

The combined parking and rooftop solar infrastructure generate approximately 12.0 million units annually, equating

Board's Report (Contd.)

to 45% of our total energy consumption for Pune facility. This provision addresses approximately 80% of our daytime energy needs. The solar-powered parking facility serves the dual purpose of generating renewable energy and mitigating concerns associated with vehicle heating during summer months, while the rooftop installation diminishes heat transfer to upper floors. This significant investment in energy conservation by the company is anticipated to yield annual savings of approximately ₹ 70.0 million.

GREEN INITIATIVES

During the year under review, KPIT maintained its steadfast commitment to environmental sustainability by expanding greenery across approximately 1 acre of land. This initiative involved the plantation of 242 native trees, 7750 shrubs, and 6375 flowering plants, albeit resulting in increased freshwater demands. Additionally, we established a "Shet tale" (field pond) with a storage capacity of 1.50 lakh liters, intended for summer irrigation to sustain plant life.

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

ENVIRONMENT MONTH AT KPIT

Since a decade, KPIT CSR remained committed to **our promise of a cleaner world** by observing the environment month every year in June. This year, the CSR team organized a range of initiatives to foster environmental sustainability and enhance awareness of environmental concerns among employees and their families. The response from participants was exceptionally positive, reflecting a collective commitment to environmental stewardship which helped in promoting eco-friendly behaviors.

TALK ON TOXIN-FREE LIFESTYLE

Shailaja Deshpande, the founder of Jeevitnadi-Living River Foundation, Pune-based NGO (Non-Government Organization), delivered an insightful talk on "Toxin free Lifestyle". During her talk she shed light on the hazardous chemicals commonly used in our daily lives, their detrimental impact on our river ecosystems, and ultimately, our health.

She also provided valuable suggestions and solutions for adopting a toxin-free lifestyle.

TALK ON WASTE MANAGEMENT

Dr. Sanjay K. Gupta's "Waste Management" talk provided a crucial insight into tackling the global waste crisis. With expertise spanning over two decades, Dr. Gupta highlighted the importance of individual responsibility and collaborative efforts in waste management. Attendees benefited from a deeper understanding of waste management.

TALK ON INDIVIDUAL CARBON FOOTPRINT CALCULATOR

We organized an Awareness Talk on "Individual Carbon Footprint Measurement" by Dr. Priyadarshini Karve to empower KPITians with knowledge and feasible actions to minimize their individual carbon footprint. Dr. Karve emphasized on Environmental issues & our preparedness for climate-ready lifestyle. She also introduced an individual Carbon footprint calculator during the session.

With the insights from this talk, we are encouraging all the new joiners to calculate their Individual Carbon Footprints during the onboarding process.

RIVER CLEANING ACTIVITY, PUNE

KPITians from the Pune office participated in the on-going Mutha river cleaning activity at Aundh in association with our NGO partner, Jeevitnadi - Living River Foundation. It was an early morning activity with a lot of Challenging but satisfying work. Volunteers cleaned the riverbank, collected, and segregated garbage. Also, they indulged in bird watching and observed nature to the fullest.

AWARENESS ON IMPACT OF PLASTIC USAGE, BENGALURU

A team of KPITians dedicated their time to volunteer at Bannerghatta National Park, raising awareness about the harmful impact of plastic usage. This initiative was conducted in partnership with the local NGO, Saahas. The volunteers conducted environment related games/quiz to educate the park visitors on the consequences of plastic consumption. Additionally, they encouraged individuals to take a pledge to refrain from using plastic.

MANURING TREES, BENGALURU

KPIT CSR team engaged KPITians in manuring trees at Bannerghatta Forest in partnership with A Rocha India (Bengaluru based NGO).

Volunteers nurtured the soil for optimal growth of trees. This activity provided valuable insights and developed a deeper connection to nature, fostering a commitment to environmental conservation.

AFFORESTATION: PLANTATION AND NURTURING TREES

FOREST CONSERVATION AT KOYNA-CHANDOLI CORRIDOR, PUNE

In continuation of a decade long afforestation efforts at Koyna-Chandoli corridor we planted 2000 more trees

this year. It has brought the cumulative count to 52,900 trees across 252 acres, with an impressive survival rate of 80 percent. This project of afforestation is jointly conducted with the Wildlife Research & Conservation Society (WRCS).

Various project teams volunteered in the tree plantation and yearlong maintenance activities. This also fostered stronger bonding among team members and a deeper connection with nature.

TREE PLANTATION AT THE 14 TREES FOUNDATION VETALE VILLAGE, PUNE

Since 2019, with an ambitious goal of converting barren land into forests at 14TF Vetale site, Pune, cumulatively we have planted **1,964** saplings which includes **660 saplings** from this year with an impressive survival rate of 99 percent.

KPIT has collaborated with 14 Trees Foundation (14TF), an NGO based in Pune for establishing sustainable ecosystem in villages nearby Narayangaon, Rajgurunagar with planting Native species such as mango, banyan, neem, jamun, and umber etc.

KPIT volunteers were engaged in Making Sapling Bags, Plantation, Watering the Plants, Labeling, Geo-Tagging etc. during their visits on the weekends.

This project also being instrumental in generating employment opportunities for residents.

E-WASTE AWARENESS, COLLECTION & MANAGEMENT WITH CUMMINS INDIA FOUNDATION, PUNE

To tackle the problem of E-waste management in Pune, this year KPIT has collaborated with Cummins India Foundation, Poornam Ecovision Foundation, and Janwani (Pune-based NGOs).

This project is aimed at collecting and processing 200 tons of e-waste from Pune City.

To achieve this goal, we have established the awareness & collection system in various residential societies, schools and other social organizations. (Eg. Permanent e waste collection Centers, Weekly Centers, Mini mega Drives)

Apart from this, we organized two Mega drives where 53 tons of e-waste was collected from 700 centers across Pune City.

This project has successfully collected & processed over 107.91 tons of e-waste through various methods.

KPIT employees have contributed to this project by donating their e-waste and volunteering at e-waste collection centers during Mega drives.

Out of the collected e-waste, our partner NGOs have **refurbished over 23 laptops & computers and donated to the underprivileged schools/students.**

The rest of the e-waste was handed over to authorized e-waste recyclers for scientific disposal.

Best Out of E-waste Competition (BOEC)

Under the E waste management project, we worked with 79 schools in Pune and created awareness on E-Waste and plastic waste through 4R (Reduce, Reuse, Recycle and Recover) approach of waste management.

To celebrate the 'cleanliness week' in Pune we organized a Best Out of E-waste Competition (BOEC) for students from the above-mentioned schools.

338 students from 53 schools participated in this competition and submitted 232 creative projects that were made of waste material. Based on creative ideas and usage of the waste material, 12 projects were awarded as the best projects.

A group of KPITians volunteered as a part of jury panel and evaluated the projects.

VANARAI BANDHARA (BUND) CONSTRUCTION

The KPIT CSR team collaborated with Jnana Prabodhini (a Pune-based NGO) to address the water scarcity issues in rural areas of Pune by constructing Vanarai Bandhara, a type of bund designed for water storage.

KPIT employees volunteered with their time and efforts to construct two bunds in **Nalwat Village, Taluka Velha**. These structures have facilitated the storage of over **four lakh liters of water**, significantly contributing to the recharge of water sources in the village.

Additionally, these reservoirs act as important sources of water for livestock and domestic animals till monsoon arrives.

These activities witnessed the perfect spirit of teamwork for teams to come together and help change our rural villager's life for the better. These activities also gave an opportunity to the volunteers to **experience rural life**.

INAUGURATION OF DRINKING WATER WELL AT DHANAGAR VASTI, MALEGAON, MULSHI PUNE

As part of KPIT's water conservation efforts through mass volunteering, KPIT collaborated with the local community to build a new drinking water well in Dhangar Vasti, Malegaon, in Pune.

This initiative aims to address the shortage of drinking water during dry months when the nearby natural spring runs low.

This project involved a unique partnership between KPIT, Jnana Prabodhini (Pune based NGO) who provided valuable guidance and the villagers who contributed both financially & through manual labor.

Board's Report (Contd.)

The well was constructed on the land of a generous donor, Shri. Devidas Hanmagar, measuring **30 feet deep and 30 feet in diameter, with a water holding capacity of 9 lack liters.**

The well was formally inaugurated and handed over to villagers by Mr. Pushpahas Joshi, Business Leader, KPIT. This is **the Sixth well that KPIT has built successfully in last Six years**.

This joint effort will reduce the dependency on external water in future for more than 500 villagers.

ECO-FRIENDLY GANESHA MAKING WORKSHOP

In the fourth year of this initiative, the KPIT CSR team organized yet another eco-friendly Ganesha making workshop, to cultivate the habit of celebrating festivals in a sustainable way.

This year's workshop facilitated participants in crafting beautiful idols using entirely eco-friendly materials.

ECO-FRIENDLY MELA, PUNE

In Pune, the KPIT CSR team empowers various NGOs by frequently organizing the stalls to showcase their products. This initiative not only supports the NGOs but also gives an opportunity to our employees to purchase and utilize eco-friendly and sustainable products.

OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SERIES (OHSAS)

- **Employee Well-being Focus:**
  - Proactive approach to health and life enrichment under OHSAS (Occupational Health and Safety Assessment Series) standards.
  - Aimed at increasing awareness, promoting good health, reducing stress levels, and ensuring safe work environment.
- **In-house Support Services:**
  - In-house doctors, counselors, and dieticians available to assist employees in leading healthy lives.
- **Celebratory Events:**
  - International Yoga Day celebrations on 21st June featuring various sessions such as Yoga and meditation to relieve stress, Desk Yoga, Face Yoga, and encouragement for daily practice.
  - Health Checkups, Virtual Wellness sessions, and engagement activities on Women's Day.
- **Family Engagement:**
  - Family overnight stays at KPIT's Pune, Phase 3 Campus, known as "The Light Touch."
  - Inviting employees' family and friends to Phase 3, Pune for recreational activities on Saturdays.
- **Recreational Activities:**
  - Participation in various intercompany cricket tournaments.
  - On-premise recreation facilities available for employees.
- **Wellness Programs:**
  - "The Healthy Lifestyle" program spanning three months aimed at building healthy habits.
  - Season-specific Health Webinars such as "Beat the Heat" and "Monsoon-related health issues."
  - Webinars focusing on Mental & Emotional Health.
  - Unique Musical Wellness sessions emphasizing the healing power of music.
  - Health Carnival featuring various health-related activities.
- **Educational Webinars:**
  - Various wellness initiatives including webinars on "World Heart Day," "Diet and Nutrition," "Cervical Cancer," and "Know your Bone Health."
- **Telemedicine Services:**
  - 24x7 Online doctor consultation services.
  - Introduction of 24x7 Telemedicine for employee health needs.
- **Fitness Challenges:**
  - KPIT Stepathon Challenge encouraging physical activity and fitness.
- **Women's Day Initiatives:**
  - Health Camp and special webinars organized for Women's Day.
- **Community Engagement:**
  - Participation in the Pashan Lake Half Marathon.

TECHNOLOGY ABSORPTION

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

IAAS CLOUD ADOPTION FOR DR SETUP

Board's Report (Contd.)

To reduce further the dependency on the factors impacting critical applications uptime and sustainability, we are opting for Infrastructure as A Service (IAAS) cloud offering for critical corporate applications disaster recovery. Some of the key advantages of IAAS Cloud adoption are –

- **Cost savings:** Cloud adoption will help in optimizing costs by reducing the need for physical hardware and infrastructure. Instead of investing in servers and other hardware on-premises, KPIT can use cloud services on a pay-per-use basis. This means that we only pay for what we use, rather than investing in DR hardware upfront. Also we are in process of making infra deployment by doing automation so that instances can spin up during disaster recovery drills & actual disaster which will help us further to reduce the cost.
- **Flexibility and scalability:** Cloud adoption provides flexibility and scalability to expand or contract computing resources as needed. We can adjust the resources to meet changing demands of workload without having to invest in additional hardware immediately. Which is helping us to scale-up & scale-down resources automatically as per demand.
- **Accessibility:** Cloud adoption enables users to access data and applications from anywhere with an internet connection.
- **High availability:** Cloud providers offer high availability and reliability, with guaranteed uptime and multiple data centres across different geographic regions. This ensures that a business's disaster recovery environment will be available and accessible round the clock in the event of a disaster.

ENHANCEMENTS TO BUSINESS CONTINUITY PLANNING (BCP) – ENABLING SECURED WFH

Given the continued operations in hybrid model, KPIT is vigilant and working towards anticipating and planning for various scenarios. The Business Continuity Planning team will keep track, assess incidents and work with client teams to build and execute specific plans.

OBJECTIVES OF BCP:

- Implementing a set of measures for avoiding possible failures.
- Prioritization of Key services and providing for alternate service delivery.
- Educating the users of their responsibility before, during and after business interruptions.
- Providing an orderly and efficient transition from normal to emergency condition and back to normal maintaining consistency in action.
- Readiness for hybrid working:
- Uniform security checks / controls / policies for employees working from home or office.

SOLUTION: SECURE WORK FROM HOME (BCP) ENABLEMENT

KPIT continues to have hybrid mode of working from home and office, thereby providing flexible & continuity of business operations. Considering secure & successful working from home, IT solutions with highly trusted technologies, process & people framework is implemented. Remote working environment is further optimized by introducing multiple security tools and controls to safeguard against modern attack vectors.

ACCESS TO KPIT NETWORK OVER NEXT GENERATION FIREWALL & VPN:

- Secure Access through multifactor authentication overactive directory credentials to ensure access by an authorized individual only.
- Zero Trust Private Access: ZPA is the world's most deployed ZTNA platform, applying the principle of least privilege to give users secure, direct connectivity to private applications running on-premises or in the public cloud while eliminating unauthorized access and lateral movement
- Posture assessment before granting access.
- Advanced patch management solutions
- Virtual desktop infrastructure.
- Endpoint protection using multilayer endpoint protection to detect and prohibit suspicious or malicious activity.
- Endpoint ATP uses advance threat and anti-exploit protection.
- Endpoint Device Data Loss Prevention for threat monitoring, logging, and restriction on USB storage ports.
- Endpoint Device Data Loss Prevention
- Data exchange over end-to-end encryption with IPSEC tunnel from endpoint till secure gateway.
- SASE based Web-content filtering to protect against web malware.
- Collaboration using Microsoft Teams, Cisco WebEx.
- Round the clock monitoring of security events by dedicated team of experts.

REMOTE WORKING ENVIRONMENT ENHANCEMENTS

During the year under review, remote working environment was further strengthened with below points:

Board's Report (Contd.)

- MFA (Multi Factor Authentication) enabled for published applications.
- Deep packet inspection in effect for all the published applications.
- Enhanced web content filtering solution deployed to arrest new age threats.
- Remote security updates and patch management deployment further enhanced covering all corporate assets.
- Data Encryption enabled for all the critical end points.
- Capacity enhancements completed for additional virtual desktops for rapidly growing development and engineering teams.

PROCESS AND POLICY CONTROLS FOR BCP:

- Strict adherence to KPIT Information Security Policy.
- User acceptance of Work from Home undertaking.
- Re-iteration of individual roles and responsibilities by Delivery Management.
- Setting up of BCP Command centre.

OPEN-SOURCE PLATFORM ENHANCEMENTS

During the year under review, KPIT has further enhanced a state-of-the-art open-source platform to cater to all the CI/CD pipelines. It is based on leading containerisation workload management platform and it is architecturally highly available, auto scalable Open Source Platform for Digital Technologies. To cater to the need of data services, we deployed highly available database clusters of databases. With zero surprises, all the corporate applications and data are migrated from an Enterprise Platform to new Opensource Platform. This helped the organization to save considerable yearly subscription cost. Introducing monitoring & logging system for entire platform which will help us to take proactive actions along with performance monitoring & governance.

SOLUTION AND TECHNOLOGY DEPLOYED:

Considering expansion and future requirements we have opted Open-source VDI solutions which offers significant cost savings compared to proprietary alternatives without compromising features and security. By leveraging open-source software, we can avoid costly licensing fees and reduce overall infrastructure expenses for Test and Training requirements.

With open-source VDI, we can easily scale our virtual desktop infrastructure to accommodate changing business requirements. Scalability of open-source solutions ensures optimal resource utilization facilitating virtual desktops for a large-scale training session or scale down resources during periods of low activity.

We have opted for Open-source software support, with this support, we can maintain greater control over security measures and ensure compliance with industry regulations and data protection standards.

Implementing open-source VDI is the ability to provision virtual desktops on-demand for testing and training purposes. Team members can quickly spin up virtual environments tailored to their specific needs, enabling efficient testing of software applications and seamless delivery of training programs.

- **Virtual Platform for Vehicle simulation & Validation**

  One of the key challenges faced in ADAS and AD development is Verification and Validation. Given the safety- critical nature of ADAS/AD, it's important to ensure high levels of accuracy for this. This is where Virtual Simulation for Validation comes into play.

  Solution and Technology deployed:

  Deployed highly resilient container platform along with distributed event streaming platform clusters with Kerberos. The solution has a built-in load balancer for optimum workload distribution. This platform contains Jenkins for CI/CD which allows continues delivery cycle.

- **Smart Campus Platform**

  KPIT has begun the Smart Campus initiative and rolled out various "Smart Applications" for Employees. These applications were aimed at changing the user experience while optimizing the energy consumption. KPIT has pursued this initiative further and taken it to the next level by deploying "Smart Campus" platform and has integrated fourteen different systems and sensor driven devices that come under the aegis of Building Management System (BMS). Traditionally all these BMS systems such as Access control, CCTv, Fire alarm system and air-conditioning systems operate within their own silos and use legacy (often proprietary) protocols. The siloed approach leads to an absence of ability to conduct common monitoring and controlling. - In the past year, we made significant strides in enhancing operational efficiency and user experience through the implementation of a state-of-the-art desk reservation system and a comprehensive visitor management system. These systems have not only streamlined the booking and utilization of workspace resources but also bolstered our campus security by providing a detailed, real-time overview of visitor movements.

  Solution and Technology Deployed:

  KPIT has brought in a higher level of automation in all

Board's Report (Contd.)

these 14 systems by use of various control panels and adaptors and has got them integrated to our platform. This has enabled the Company to provide accurate instantaneous reporting data of all these systems along with control functionality in a single dashboard. We are getting more visibility on electrical consumption across floors buildings, with clarity on which system is consuming how much electricity, how it can be effectively optimized. Automation in various pumps and Fan system gives more operational efficiency for the operations team and reduction in human errors along with reduction in electrical usage. The operations team is now better equipped to see all the systems on a single dashboard. Because of instantaneous alerts mapped on various gateways (SMS/E-mail), they are now better equipped to manage various BMS systems effectively, this also helps them in taking care of employee safety at work.

- **Hyper-Converged Infrastructure**

  KPIT is an early adopter of Hyper-converged infrastructure and reaping its benefits since the last 4 years. In our pursuit of continual services optimization, the Company has adopted Hyperconverged Infrastructure from the leading OEMs.

  Scaling out HCI cluster is helping us to suffice dynamic business requirements, quick customer on boarding & on the fly resource upgradation for deployed workloads. Inbuilt deduplication capabilities are helping us in effective storage management.

- **Solution and Technology Deployed:**

  KPIT was looking for an agile solution which will help us in making operations simpler, could be commissioned much faster, could be scaled on demand and could be effectively managed by skilling existing human resources.

  Hyper-converged infrastructure addressed these issues. HCI is a new and innovative approach to data center management. It combines storage, networking, and computing resources into a single, integrated platform, allowing for easier management and scalability. We could implement a hyper-converged solution within a few hours. This infrastructure is helping us by adding capacity on demand, without vendor lockdown. Even achieving disaster Recovery (dR) is much simpler and it supports multi-hypervisor environments. Besides easing datacenter migrations, Company do not have to make upfront investments now.

  Over the period KPIT IT has expanded the use of Hyper-converged infrastructure (HCI) for running the critical workload. As businesses continue to generate and rely on more data than ever before, HCI is becoming an increasingly de facto standard for data center expansion.

  One of the main benefits of HCI is its ability to scale quickly and easily. With traditional data center infrastructure, adding new servers, storage arrays, and network switches can be a time-consuming and expensive process. With HCI, however, adding additional resources is as simple as adding a new node to the existing cluster. This allows us to quickly and easily expand data center as the needs grow, without incurring significant additional costs. Another advantage of HCI is its simplified management interface. Instead of having to manage multiple systems for storage, networking, and computing, HCI provides a single interface for managing all resources. This not only makes it easier to manage the data center but also helps to reduce the risk of errors and misconfigurations that can lead to downtime and data loss. HCI has also helped to reduce data center footprint and power consumption. Because it integrates all resources into a single platform, there is less hardware to manage, which leads to significant cost savings on power and cooling. Currently, around 90% of the critical workload is running on the HCI infrastructure.

  The following Environmental Returns are achieved: Hyperconverged Infrastructure has helped us in saving power, cooling, and space by an additional 30%. We could also optimize the asset ratio from 7 to 1 for the same computer capacity in the datacenter. We continued investing into this technology last year too and the organization is reaping its benefits.

IMPROVED HYPER-CONVERGED INFRASTRUCTURE WITH DHCI

KPIT has introduced next generation Hyperconverged Infrastructure called dHCI. dHCI (disaggregated hyper-converged infrastructure) is a new and innovative approach to data center management. Unlike raditional HCI, dHCI allows to scale compute and storage resources independently. This improved flexibility ensures efficient resource allocation based on workload needs and KPIT is benefiting from mid of 2023.

Solution and Technology Deployed:

dHCI solutions provide a modern approach to infrastructure deployment and management, offering greater flexibility, efficiency, and performance optimization compared to traditional converged or hyper-converged infrastructure solutions. Here are some of the key benefits:

Flexibility and Scalability: dHCI allows for more granular scaling of compute and storage resources independently. This means we can scale infrastructure based on specific needs, without over-provisioning or under-utilizing resources. As demand grows, it's easier to add compute or storage nodes as required, providing greater flexibility.

Board's Report (Contd.)

Resource Efficiency: With dHCI, resources are disaggregated, meaning that compute and storage can be optimized separately. This allows for better resource utilization and more efficient allocation of resources based on workload requirements.

Performance Optimization: By decoupling compute and storage, dHCI can optimize performance for specific workloads. For example, organizations can allocate more storage resources to data-heavy applications while providing sufficient compute power for processing-intensive tasks. This flexibility ensures that performance is optimized according to workload demands.

Simplified Management: dHCI solutions come with centralized management software providing a single interface for managing both compute and storage resources, dHCI can streamline operations and reduce the complexity of managing IT infrastructure.

Cost Savings: dHCI has lowered the 20% amount of space and energy that data centers need. It combines all resources into one platform, which reduces the hardware to manage, and saves a lot of money on power and cooling.

- **Virtual Desktop Environment**

  The latest version & enhanced capacity has been brought to virtual desktop environment. Implementations to make processes more efficient, increased automation, security and deploy IT to make collaboration across geographies easier. The Company has deployed the most advanced technologies for its processes. These deployments are scalable and future ready to support changing work styles, information security criteria and the changing usage patterns of computing devices.

  Solution: KPIT decided to shift from conventional desktop technology to Virtual Desktop Interface (VDI). The following operational aspects were considered while implementing the VDI solution: deliver on demand services for users Increase IT efficiency, simplify management, Ensure software compliance. Though KPIT was already evaluating a virtualization solution that was deployed in a limited environment, it had not explored the idea of transitioning the core ERP processes onto the virtualized environment but had transitioned only the less critical ones. Taking a step further toward optimizing energy requirement and consumption, KPIT decided to increase use of virtualization technology.

Solution and technology deployed:

HCI (Leading OEMs) & VDI (thin client) based infrastructure platforms.

Following Environmental Returns were achieved after deployment of VDI:

1. Energy savings: More than 60% reduction in energy consumption was achieved by moving to the private cloud platform (including new technologies like hyper converged) with vdI as compared to using conventional computers. Cisco Unified Computing System, which is included as part of the private cloud platform, delivers high memory capacity to support a large number of virtual machines on each blade server, thus reducing the amount of physical equipment to be powered and cooled. The desktop computers that consume around 150 watts of electricity, were replaced with very small devices called thin clients that consume just 30 watts. This has resulted in energy savings of approximately 3,00,000 units per year amounting to 375 MT of Co2 emission.
2. Reduction in e-waste: Almost 90% reduction in e-waste generation was achieved due to the increased IT hardware refreshment cycle for desktops, laptops, and workstations. The lifespan of the above-mentioned hardware is about five years due to high resource requirement, capacity, and performance demand, and due to newer operating systems, application software and tools. Being a technology provider, it is extremely important for us to update our IT hardware platform and ready it for next generation development tools. The thin client on the other hand has more than eight years of lifespan. Till that time, it does not require upgrades or replacement as all the resources such as computing power, memory and disk space are accessed through VDI setup hosted in the datacentre. Under this infrastructure, we deployed 600 VDIs for the business users.
3. Reduced IT Asset Ratio from 1.20:1 to 1.10:1: VDI environment enables multiple users to access their accounts using a single machine without compromising on the security aspect. Before deploying the virtual desktop environment, the asset-to-employee ratio was 1.20:1. This meant that much of the IT infrastructure was underutilized and was consuming more natural resources. After the deployment of the Private Cloud platform with VDI, the asset ratio has reduced to 1.10:1 thereby reducing the computer hardware consumption by 10%.
4. Workplace utilization increased by 10%: The VDI helped in improving the utilization and flexibility of IT assets. Users can access their desktop, applications and data from any location, without compromising on the security of the system. In addition, employees can connect to corporate resources using any of the personal devices like iPads, Windows and Android based mobiles, thus enabling Consumerization of IT. This has led to workplace flexibility and optimal utilization of workspaces.
5. Reduction in travel across locations: KPIT has deployed the best of the solutions such as Cisco Telepresence

Board's Report (Contd.)

(Audio/Video conferencing) & Microsoft Teams across the offices and Cisco WebEx for better collaborations. With these solutions, our users can have conference meetings from anywhere and through any device. Even our business reviews, recruitment and customer meetings are conducted using these technologies. It has been observed that overall business travel across the globe has been reduced by 25%. As this is a unified collaboration platform, end user productivity is also substantially improved.

ONE KPIT EXPERIENCE FOR NEWLY ACQUIRED ENTITIES:

Upon acquiring the new entity, KPIT IT could leverage its experience and expertise to help integrate new entity into our operations smoothly. We provided guidance and support based on our years of experience in the industry, sharing best practices and lessons learned to ensure a successful transition. We also facilitated knowledge collaboration sessions, where our team members shared their knowledge and expertise with the newly acquired entity's SME team, helping both teams to gain a deeper understanding of operations and processes. Through this collaborative approach, we were able to foster a culture of continuous learning and improvement, while also ensuring a seamless integration of the newly acquired entity into our organization. We continue sharing experience and supporting the success of the newly acquired entities, and we look forward to continued collaboration and growth in the future.

Key Objectives achieved –

One KPIT Experience, Improved collaboration, Effective project management, Enhanced security for acquired entities, Business continuity and disaster recovery, Creating a global technology talent pool.

RESEARCH AND DEVELOPMENT (R&D) ACTIVITY

During the year under review, the Company has incurred $ 13.53 million on R&D Expenditure. Further, the Company has not claimed any weighted deduction under section 35(2AB) of the Income Tax Act 1961 for in-house R&D expenditure, as the same is not available with effect from April 1, 2020.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earnings during the year have been ₹ 19,067.48 million (previous year ₹ 13,789 million) and foreign exchange outgo (including imports) has been ₹ 466.68 million (previous year ₹ 290.51 million).

Particulars of Loans, Guarantees or Investments under Section 186 of the Act

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

Sr. No.	Name of the subsidiary	Nature of transaction	Duration	Rate of Interest (%)	Amount (INR in million)	Purpose
1	KPIT Technologies GmbH	Investment in subsidiary	N.A.	N.A.	1,337.30	Settlement of deferred consideration towards Technica Group.
2	N-Dream AG	Investment in Associate	N.A.	N.A.	271.20	Towards initial strategic investment of 13.01% stake in N-Dream AG
3	MCCIA Electronic Cluster Foundation	Investment in other entity	N.A.	N.A.	0.006	Subscription towards Membership

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

Board's Report (Contd.)

referred to in Section 188(1) of the Act and prescribed in Form AOC-2 of Companies (Accounts) Rules, 2014, is annexed to this Report as "Annexure 2".

UPDATE ON MERGER & ACQUISITION

During the year under review, the Company made significant strides in expanding its technological capabilities and market presence through strategic acquisitions.

FMS Future Mobility Solutions GmbH Acquisition Update:

KPIT acquired the remaining 75% stake in Future Mobility Solutions GmbH (FMS), effective April 1, 2023, making FMS a wholly-owned subsidiary.

Based in Frankfurt, FMS specializes in software and feature development for autonomous driving, ADAS (Advanced Driver Assistance Systems), vehicle safety, and integration & validation.

Investment in N-Dream AG:

KPIT strategically acquired a 13% shareholding in N-Dream AG, a Swiss-based company that operates a cloud-based game aggregation platform. N-Dream is an early mover in the in-car gaming space, offering a proven cloud-based game aggregation platform with comprehensive data solutions to automotive OEMs. KPIT has an option to further increase its shareholding in N-Dream.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

The World Economic Outlook (WEO) has forecasted a global growth in 2024 on account of:

- Resilience in the United States, several large emerging market & developing economies.
- Fiscal support in China.
- Overall recovery from COVID pandemic.

However, other global crisis including continued Russo-Ukrainian War situation, conflict in Gaza strip, caused supply chain disruptions and rise in inflation which could lead to tight monetary conditions. Deepening property sector woes in China, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

The idea of making sodium-ion batteries (SIBs) at scale is gaining traction in 2023 and in 2024. SIBs are currently evolving as a viable substitute for lithium-ion batteries because of the abundant availability and reasonable cost of sodium. KPIT is leveraging the situation for making electric mobility more affordable.

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

ENTERPRISE RISK MANAGEMENT POLICY

A policy to identify, assess, monitor and mitigate various risks to key business objectives of the Company is in place. A detailed information on Enterprise Risk Management is included in this Annual report.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the auditors have not reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed in the Company by its officers or employees.

ANNUAL RETURN

The Annual Return of the Company for the financial year 2023-24 in Form MGT-7 has been uploaded on website of the Company i.e., www.kpit.com.

SECRETARIAL STANDARDS

The Company has adhered with all applicable secretarial standards issued by the Institute of Company Secretaries of India. For more details, please refer to the report on Corporate Governance which is a part of the Annual Report.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

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

i) in the preparation of the annual accounts for the year ended March 31, 2024, 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 to give a true and fair view of the state of affairs of the Company as on March 31, 2024, and of the profit of the Company for the year ended March 31, 2024.

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.

Board's Report (Contd.)

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

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

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

CEO & CFO CERTIFICATION

Certificate by Mr. Kishor Patil, CEO & Managing Director and Ms. Priyamvada Hardikar, Chief Financial Officer, pursuant to the provisions of regulation 17(8) of the SEBI (LODR) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on April 29, 2024.

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

COST RECORDS

The Company is not required to maintain cost records under the provisions of Section 148(1) of the Companies Act, 2013.

DIRECTORS & OFFICERS INSURANCE POLICY

The Company has in place an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board.

ACKNOWLEDGMENTS

We take this opportunity to thank all the shareholders of the Company for their continued support.

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

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

For and on behalf of the Board of Directors

S. B. (Ravi) Pandit
Chairman of the Board
DIN: 00075861

Pune
April 29, 2024

ANNEXURE 1

FORM AOC - 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in million except exchange rate)

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year	Average exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (except in case of investment in subsidiaries/ associate companies/ joint ventures)	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
1	KPIT (Shanghai) Software Technology Co. Limited	15-Jan-19	NA	CNY	11.5400	11.5568	162.42	(40.25)	219.21	97.04	-	496.50	24.26	-	24.26	-	100%
2	KPIT Technologies (UK) Limited (Refer note i below)	15-Jan-19	NA	GBP	105.2900	104.1009	1,578.36	1,457.23	4,112.28	1,076.69	-	3,589.86	306.09	(76.96)	229.13	-	100%
3	KPIT Technologies Netherlands B.V.	15-Jan-19	NA	EUR	90.2200	89.8405	45.11	464.98	679.04	168.95	-	1,052.76	153.10	(38.53)	114.57	-	100%
4	KPIT Technologies GmbH (Refer note ii below)	15-Jan-19	NA	EUR	90.2200	89.8405	1,619.76	7,314.13	17,420.38	8,486.49	-	8,909.48	(155.10)	(718.91)	(874.00)	-	100%
5	MicroFuzzy Industrie-Elektronic GmbH (Refer note iii below)	15-Jan-19	NA	EUR	90.2200	89.8405	2.35	90.44	5,612.99	5,520.20	0.45	6,046.73	1,086.42	-	1,086.42	-	100%
6	KPIT Technologias Ltda. (Refer note iv below)	15-Jan-19	NA	BRL	16.6200	16.7363	0.02	137.68	155.32	17.62	-	237.20	42.92	(14.80)	28.12	-	100%
7	KPIT Technologies GK (Refer note v below)	2-Apr-18	NA	JPY	0.5509	0.5704	15.09	540.62	3,046.81	2,491.10	-	5,641.32	279.19	(96.39)	182.80	-	100%
8	KPIT Technologies Holding Inc.	6-Sep-18	NA	USD	83.3700	82.7999	1,417.29	4.67	1,422.50	0.54	-	-	5.04	-	5.04	-	100%
9	KPIT Technologies Inc. (Refer note vi below)	3-Apr-18	NA	USD	83.3700	82.7999	416.85	1,752.41	4,719.79	2,550.53	-	14,239.87	618.10	(65.56)	552.54	-	100%
10	KPIT Tech (Thailand) Co., Ltd. (Earlier known as ThaiGertec Co., Ltd.) (Refer note vii below)	1-Apr-19	NA	THB	2.2900	2.3462	36.64	90.10	134.84	8.10	-	248.30	44.12	-	44.12	-	100%
11	PathPartner Technology Private Limited (Refer note viii below)	19-Oct-21	NA	INR	1.0000	1.0000	11.13	692.77	1,033.85	329.95	384.65	1,167.96	277.14	(73.86)	203.28	-	80%
12	PathPartner Technology Inc. (Refer note ix below)	19-Oct-21	NA	USD	83.3700	82.7999	4.17	79.03	135.78	52.58	-	508.39	23.22	(10.12)	13.10	-	80%
13	PathPartner Technology GmbH (Refer note ix below)	19-Oct-21	NA	EUR	90.2200	89.8405	6.77	(8.29)	2.71	4.23	-	-	(1.66)	-	(1.66)	-	80%
14	Technica Engineering GmbH (Refer note iii below)	1-Oct-22	NA	EUR	90.2200	89.8405	3.38	1,092.67	3,368.32	2,272.27	-	6,052.99	1,361.99	(0.41)	1,361.58	-	100%
15	Technica Electronics Barcelona S.L. (Refer note iii below)	1-Oct-22	NA	EUR	90.2200	89.8405	0.30	297.64	367.87	69.93	101.41	604.61	170.39	11.72	182.11	-	100%
16	Technica Engineering Spain S.L. (Refer note iii below)	1-Oct-22	NA	EUR	90.2200	89.8405	0.30	29.92	94.42	64.20	-	157.57	36.58	(9.53)	27.06	-	100%

Annexure - 1 (Contd.)

(₹ in million except exchange rate)

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year	Average exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (except in case of investment in subsidiaries/ associate companies/ joint ventures)	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
17	Technica Engineering Inc. (Refer note x below)	1-Oct-22	NA	USD	83.3700	82.7999	0.00*	70.44	311.58	241.14	-	524.49	(9.19)	-	(9.19)	-	100%
18	KPIT Technologies S.A.S. (Refer note xi below)	23-Sep-22	NA	EUR	90.2200	89.8405	9.02	6.40	1,019.61	1,004.19	72.20	2,267.67	21.47	(2.15)	19.32	-	100%
19	Somit Solutions Limited (Refer note xii below)	31-May-22	NA	GBP	105.2900	104.1009	0.02	55.09	112.63	57.52	-	23.94	(8.27)	(2.21)	(10.48)	-	100%
20	Somit Solutions Inc. (Refer note xiii below)	31-May-22	NA	USD	83.3700	82.7999	2.33	55.91	131.60	73.36	-	82.24	60.98	(16.34)	44.64	-	100%
21	Qorix GmbH (Refer note xiv below)	12-Jun-23	NA	EUR	90.2200	89.8405	68.99	233.28	1,348.90	1,046.63	-	-	(148.17)	(0.04)	(148.21)	-	100%
22	Future Mobility Solutions GmbH (w.e.f. 1 April 2023) (Refer note iii below)	1-Apr-23	NA	EUR	90.2200	89.8405	36.09	71.92	420.97	312.96	-	788.63	51.06	(9.46)	41.60	-	100%

** Since denominated in ₹ millions*

Notes :

i. Includes branch KPIT Technologies (UK) Limited Filial and KPIT Technologies (UK) Limited Italy Branch.
ii. 72.73% owned by KPIT Technologies (UK) Limited and 27.27% owned by KPIT Technologies Limited, India
iii. 100% owned by KPIT Technologies GmbH, Germany
iv. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA
v. Includes branch KPIT Technologies GK, Korea
vi. 100% owned by KPIT Technologies Holding Inc., USA
vii. 98.31% owned by KPIT Technologies (UK) Limited, 0.06% owned by KPIT Technologies Limited, India and 1.63% owned by KPIT Technologies GmbH, Germany
viii. 80% owned by KPIT Technologies Limited, India
ix. 100% owned by PathPartner Technology Private Limited, India
x. 100% owned by KPIT Technologies Inc., USA
xi. 100% owned by KPIT Technologies Netherlands B.V.
xii. 100% owned by KPIT Technologies (UK) Limited
xiii. 100% owned by Somit Solutions Limited, UK
xiv. During the year under review, registration of Qorix GmbH was completed on June 12, 2023, by the local court in Germany.

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

Annexure - 1 (Contd.)

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 Associate	N-Dream AG
1	**Latest audited Balance Sheet date**	31 December 2023
2	**Shares of Associate held by the company on the year end**	
i	Number of shares	50,598
ii	Amount of investment in Associate	₹ 81.38 million
iii	Extend of holding (%)	13.01%
3	**Description of how there is significant influence**	As per IND AS 28 para 5, if an entity holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e.g. through subsidiaries), less then 20% of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence. Significant influence is established as KPIT Technologies Limited has representation on the board of directors in N-Dream AG.
4	**Reason why the associate is not consolidated**	We follow equity method of accounting as per IND AS 28 - Investments in Associates and Joint Ventures, hence, only share of profit or loss is considered.
5	**Net worth attributable to shareholding as per latest audited Balance Sheet**	₹ 26.87 million
6	**Profit/(Loss) for the year (Refer note a below)**	₹ (41.27) million
i	Considered in consolidation	₹ (5.37) million
ii	Not considered in consolidation	₹ (35.90) million

Note: The figures considered are subsequent to the investment in associate.

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

ANNEXURE 2

FORM NO. AOC-2

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

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

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

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

	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid/ received as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1.	**KPIT Technologies Inc., USA (KPIT USA)** [Subsidiary of **KPIT Technologies Holding Inc., USA,** which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT USA**	Contract shall be effective from **April 01, 2019,** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development, services, consultancy work and engineering designing activities as per the requirements of **KPIT USA**; **KPIT USA** will pay to KPIT India a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil
2.	**KPIT Technologies (UK) Limited (KPIT UK) including Italy and Sweden branch.** [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT UK**	Contract shall be effective from **April 01, 2019,** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development, services, consultancy work and engineering designing activities as per the requirements of **KPIT UK**; **KPIT UK** will pay to KPIT India a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil

Annexure - 2 (Contd.)

	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)
3.	**KPIT Technologies GK, Japan Including South Korea Branch (KPIT Japan)** [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT Japan**	Contract shall be effective from **April 01, 2019,** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development, services, consultancy work and engineering designing activities as per the requirements of **KPIT Japan**; **KPIT Japan** will pay to KPIT India a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil
4.	**KPIT Technologies GmbH, Germany (KPIT Germany)** [Subsidiary of **KPIT Technologies (UK) Limited** which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT Germany**	Contract shall be effective from **April 01, 2019,** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development, services, consultancy work and engineering designing activities as per the requirements of **KPIT Germany**; **KPIT Germany** will pay to KPIT India a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil

For and on behalf of the Board of Directors

Pune
April 29, 2024

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

ANNEXURE 3A

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

Name	Age (yrs)	Designation	Qualification	Experience (yrs)	Date of joining	Remuneration Received (Rs. In Million)*	Particulars of previous employment
Particulars of employees who were in employment throughout the financial year & are in receipt of remuneration of not less than Rs. 1,02,00,000/- p.a. in aggregate including Top 10 employees of the Company.							
Kishor Patil	62	CEO & Managing Director	Chartered Accountant & Cost Accountant	40	08-01-2018@	62.97	KPIT Technologies Limited (renamed as Birlasoft Limited) **
Sachin Tikekar	56	President & Joint Managing Director	MBA (Strategic Management & international Finance)	30	08-01-2018@	57.66	
Anup Sable	55	CTO & Whole Time Director	B.E. (Mechanical)	36	22-12-2021$	16.02	
Chinmay Pandit	40	Whole Time Director (Head of Geography – America)	Chartered Accountant & MBA	22	26-07-2022$	44.96#	
Rajesh Janwadkar	54	President (Global Head – Delivery Operations)	Bachelor of Engineering	35	01-01-2019	15.58	
Priyamvada Hardikar	52	Chief Financial Officer	Cost Accountant	31	01-01-2019	14.90	
Manaswini Rath	50	Senior Vice President (Practice Business Leader)	M.S. (Industrial Electronics)	30	01-01-2019	13.47	
Pushpahas Joshi	49	Executive Vice President	Bachelor of Engineering	30	01-01-2019	14.05	
Nishant Tholiya	48	Senior Vice President	Bachelor of Engineering (Electronic & Telecommunication)	29	01-01-2019	13.97	
Rajesh Kumar Singh	47	Senior Vice President	MPM, MMS	23	01-01-2019	13.71	
Suneel Pandita	58	Senior Vice President (Practice Business Leader)	Doctorate in material science	26	27-06-2019	12.74	Boeing International
Dhrubajyoti Sarma	49	Senior Vice President (Practice Business Leader)	Bachelor of Engineering	27	01-01-2019	12.00	KPIT Technologies Limited (renamed as Birlasoft Limited) **
Omkar Panse	48	Senior Vice President (Practice Business Leader)	Bachelor of Engineering	29	01-01-2019	10.87	
Abhijeet Tembe	50	Vice President	Bachelor of Engineering	29	01-01-2019	10.67	
Suresh A Umakanthaiah	57	Senior Vice President (Operations)	Master of Business Administration	36	01-01-2019	10.59	
Mohit Kochar	49	Vice President, Marketing	Master of Business Administration	18	01-01-2019	10.55	

$ Date of Appointment as Executive Director.

@ Mr. Kishor Patil & Mr. Sachin Tikekar have been appointed as the Directors of the Company since the date of Incorporation.

Mr. Chinmay Pandit being deputed on secondment in USA received remuneration from KPIT USA in USD (equivalent in INR) including amount received towards VPI.

* Insurance cost borne by the Company on behalf of employee, employer contribution for social security and other state taxes paid by Company in INR/ USD are included.

** 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.

Notes:

1. Remuneration comprises basic salary, allowances & taxable values of perquisites.
2. Remuneration does not include the Company's contribution to provident fund & actuarial valuation of Gratuity.
3. Employees mentioned above are not relatives of any director of the Company except Mr. Chinmay Pandit who is related to Mr. S. B. (Ravi) Pandit, Chairman of the Board.
4. Employees mentioned above except Mr. Kishor Patil do not hold two percent or more of the paid up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. The nature of Employment is contractual in all the above cases.

For and behalf of the Board of Directors

Pune
April 29, 2024

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

ANNEXURE 3B

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Disclosure

i. The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year

Names	Ratio
Mr. S. B. (Ravi) Pandit	11.68
Mr. Kishor Patil#	50.38
Mr. Sachin Tikekar#	46.13
Mr. Anup Sable#	12.82
Mr. Chinmay Pandit#	35.96
Prof. Alberto Sangiovanni Vincentelli	4.41
Mr. B V R Subbu	3.37
Mr. Anant Talaulicar	6.15
Dr. Nickhil Jakatdar*	1.49
Ms. Bhavna Doshi	3.65
Prof. Rajiv Lal	3.56
Mr. Srinath Batni$	1.19

\# 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 the Income Tax Act, 1961. The reported figures look higher or lower depending on the components of the CTC.

* Dr. Nickhil Jakatdar completed his term as an Independent Director of the Company w.e.f. January 15, 2024, end of business hours and consequently ceased to be a Director of the Company with effect from the end of business hours of said date.

$ Mr. Srinath Batni was appointed as an Independent Director of the Company with effect from July 25, 2023, which was approved by the shareholders in Annual General Meeting held on August 29, 2023.

ii. The percentage increase in remuneration of each Director, CFO, CS in the financial year

Names	Percentage
Mr. S. B. (Ravi) Pandit	40.59
Mr. Kishor Patil#	24.76
Mr. Sachin Tikekar#	28.11
Mr. Anup Sable#	24.73
Mr. Chinmay Pandit#	31.09
Prof. Alberto Sangiovanni Vincentelli	12.09
Mr. B V R Subbu	6.24
Mr. Anant Talaulicar	13.92
Dr. Nickhil Jakatdar*	(30)
Ms. Bhavna Doshi	20.29
Prof. Rajiv Lal	12.01
Mr. Srinath Batni$	-
Ms. Priyamvada Hardikar	39.64
Ms. Nida Deshpande	29.47

Annexure - 3B (Contd.)

Sr. No.	Particulars	Disclosure
		# The Company decides the remuneration of its Managerial Personnel on the basis of CTC, whereas, under the provisions of the Act, the managerial remuneration is calculated as per Income Tax Act, 1961. Actual remuneration includes VPI paid for H2 of previous year and H1 of current year. * Dr. Nickhil Jakatdar completed his term as an Independent Director of the Company w.e.f. January 15, 2024, end of business hours and consequently ceased to be a Director of the Company with effect from the end of business hours of said date $ Mr. Srinath Batni was appointed as an Independent Director of the Company with effect from July 25, 2023, which was approved by the shareholders in Annual General Meeting held on August 29, 2023.
iii.	The percentage increase in the median remuneration of employees in the financial year	18.00%
iv.	The number of permanent employees on the rolls of the Company	9141 employees as on March 31, 2024.
v.	Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase in salaries of employees other than Managerial Personnel is 16%. Average increase in the remuneration of Directors and Key Managerial Personnel is 27%.
vi.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

For and behalf of the Board of Directors

Pune
April 29, 2024

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

ANNEXURE 4

A. Summary of Status of ESOPs Granted

The position of the existing scheme is summarized as under –

I. Details of the ESOP/ESOS/ESPS

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
I. Details of the ESOP/ESOS/ESPS					
1	Date of Shareholders' Approval	29-Aug-18	23-Jul-19	23-Jul-19	24-Aug-22
2	Total Number of Options approved	18,07,450	41,28,493	40,000	41,12,157
3	Vesting Requirements	Pursuant to the Scheme of Arrangement and the Applicable Law, Company has taken into account the Vesting Period completed under the KPIT ESOPs prior to the Grant of Options to the Employee under the ESOP 2019.	The Options would vest not earlier than statutory minimum Vesting Period of 1 (One) year and up to the maximum period of 4 (Four) years from the date of Grant of Options or such period as may be decided by the Nomination & Remuneration (HR) Committee at the time of each Grant of Options.	Not Applicable to the scheme as there are no Options granted or vested under the Scheme.	Not earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of Grant.
4	The Pricing Formula	The Exercise Price per Option shall be determined by the Committee which shall not be lesser than the face value of the Share as on date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the letter of Grant at the time of Grant.	Exercise price will be the Market Price of the Company, subject to the condition that the Exercise Price will not be less than the face value of the share (Rs. 10/-) under any circumstances.	The Offer Price per Share shall be such price being not less than the face value of a Share of the Company at the time of the Offer.	Exercise Price per RSU shall be the face value of Shares as on date of exercise.
5	Maximum term of Options granted (years)	Pursuant to the Scheme of Arrangement and the Applicable Law, Company has taken into account the Vesting Period completed under the KPIT ESOPs prior to the Grant of Options to the Employee under the ESOP 2019.	The Exercise Period in respect of an Option shall be subject to a maximum period of 5 (Five) years from the date of Vesting of such Option.	Not applicable to the Scheme.	Maximum exercise period of 5 (five) years from the date of last vesting of RSUs.

Annexure - 4 (Contd.)

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
6	Method of Settlement	Settlement by issue of Equity shares		Not applicable to the Scheme.	Settlement by issue of Equity shares.
7	Source of shares	These schemes use shares issued by Company vide order passed on November 29, 2018 by Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) for the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") and KPIT Engineering Limited ("Company or Resulting Company") and their respective shareholders.			The Plan contemplates use/ acquisition of shares from two sources- (i) up to 10,00,000 (Ten Lakh) Shares from the secondary acquisition through the existing Trust; and (ii) balance up to 31,12,157 (Thirty-One Lakh Twelve Thousand One Hundred and Fifty Seven) Shares from the fresh issue by the Company.
8	Variation in terms of the Scheme	NIL	On June 30, 2020, the shareholders approved the amended ESOS 2019A Scheme with the variation of the exercise price per option from 'market price per share as on date of grant' to 'not less than face value of the shares as on date of grant of option as determined by the Nomination & Remuneration (HR) Committee of the Board of Directors of the Company. Further, the shareholders in the Annual General Meeting held on August 24, 2022 approved the amendment in the scheme for creation of additional reserve of 3,34,570 options.	NIL	NIL

Annexure - 4 (Contd.)

II. Option Movement during the year ended March 2024

Sr. No.	Particulars	ESOP 2019 Scheme		ESOS 2019A Scheme		ESPS 2019 Scheme		RSU 2022 Scheme	
		No. of Options	Wt. Avg Exercise Price	No. of Options	Wt. Avg Exercise Price	No. of shares	Wt. Avg Exercise Price	No. of shares	Wt. Avg Exercise Price
1	No. of Options Outstanding at the beginning of the year	1,20,800*	46.34	27,10,825	10.00	0**	NA	NA	NA
2	Options Granted during the year	0	0.00	80,000	10.00	0	NA	NA	NA
3	No. of additional shares offered during the year	0	0.00	0	0	0	NA	NA	NA
4	Options/ shares Forfeited / Surrendered during the year	0	0	47,200	10.00	0	NA	NA	NA
5	Options/ shares Lapsed during the year	2,200	44.96	2,500	10.00	0	NA	NA	NA
6	Options Vested during the year	0	0	17,56,730	10.00	NA	NA	NA	NA
7	Options/ shares Exercised during the year	1,18,600	46.36	6,79,770	10.00	0	NA	NA	NA
8	Total number of shares arising as a result of exercise of options	1,18,600	46.36	6,79,770	10.00	0	NA	NA	NA
9	Money realized by exercise of options (₹)	54,98,376	NA	67,97,700	NA	0	NA	NA	NA
10	Number of options/ shares Outstanding at the end of the year	0	0.00	20,61,355	10.00	0	NA	NA	NA
11	Number of Options/ shares exercisable at the end of the year	0***	0.00	17,76,380	10.00	0	NA	NA	NA

* A total of 18,07,450 options were issued under ESOS 2019 scheme which was introduced with a view to give fair and reasonable adjustments to the respective employees of the Demerged Company (erstwhile KPIT Technologies Limited renamed as Birlasoft Limited) and the Company (KPIT Engineering Limited renamed as KPIT Technologies Limited) pursuant to Composite Scheme of Arrangement between the Demerged Company and the Company. These grants were duly intimated to stock exchanges as per SEBI (LODR) Regulations, 2015.

** During FY 2022-23, all the Equity Shares under ESPS 2019 were utilized, hence the opening balance is Nil (0). Accordingly, the scheme stands closed.

*** During FY 2023-24 all the options under ESOP scheme 2019 are utilized, consequently the number of options exercisable at the end of the year are Nil (0). Accordingly, the scheme stands closed.

III. Weighted Average Remaining Contractual Life

Range of Exercise Price	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	Weighted Avg Contractual Life (in Years) as on 31st March 2024			
0 to 50	NA	4.09	0.00	NA
No. of Options Outstanding	NIL	20,61,355	0.00	NA
50 to 100	NA	0.00	NA	NA
No. of Options Outstanding	NIL	0	NIL	NA
100 to 150	NA	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL	NA
150 to 200	NA	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL	NA

Annexure - 4 (Contd.)

IV. Weighted Average Fair Value of Options granted during the year ended March 2024 whose

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
(a)	Exercise price equals market price	No Options Granted during FY 2023-24	NA	No Options Granted during FY 2023-24	No Options Granted during FY 2023-24
(b)	Exercise price is greater than market price		NA		
(c)	Exercise price is less than market price		1,129.94		

V.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	The weighted average market price of options exercised during the year ended March 2024	667.89	1,135.78	NIL	NA

VI. Employee-wise details of options granted during the financial year 2023-24 to:

(i) Senior Managerial Personnel

Sr. No.	Name of the Employee	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
1	Dr. Gabriel Seiberth	NA	20,000	NA	NA
2	Sangram Kadam	NA	18,000	NA	NA
3	Klaus Sailer	NA	7,000	NA	NA

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

Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	NA	None of the employees were granted more than 5% or more of the options granted during the year	NA	NA

(iii) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	NA	None of the employees were granted more than 1% or more of the options granted during the year	NA	NA

Annexure - 4 (Contd.)

VII. Method and Assumptions used to estimate the fair value of options granted during the year ended March 2024

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model are as follows:

Variables		ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
		Weighted Avg	Weighted Avg	Weighted Avg	Weighted Avg
1.	Risk Free Interest Rate %	No Options Granted during FY 2023-24	6.95%	NA	NA
2.	Expected Life (in years)		3.76	NA	NA
3.	Expected Volatility %		47.36%	NA	NA
4.	Dividend Yield %		0.32%	NA	NA
5.	Exercise Price		10.00	NA	NA
6.	Price of the underlying share in market at the time of the option grant. (Rs.)		1,145.01	NA	NA

Assumptions:

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

Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity/Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VIII. Effect of share-based payment transactions on the entity's Profit or Loss for the period:

Sr. No.	Particulars	31-Mar-24
1	Employee Option Plan Expense	9,14,57,140
2	Total Liability at the end of the period	30,27,35,506

IX. Details related to Trust

Pursuant to Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company/the Company") (renamed as KPIT Technologies Limited) and their respective shareholders, KPIT Technologies Employees Welfare Trust has been transferred to the Company.

Annexure - 4 (Contd.)

The details in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are :

Details related to Trust					
General Information of the Scheme					
Particulars	**Details**				
Name of the Trust	**KPIT Technologies Limited Employees Welfare Trust**				
Details of the Trustee(s)	**Sr. No.**	**Name**	**Address**	**Occupation**	**Nationality**
	1	Mr. Shriharsh Ghate	68 Shailesh Society, Ganesh Nagar, Pune – 411052.	Service	Indian
	2	Mr. Sudheer Tilloo	Amit Blossom, 12th Lane, Prabhat Road, Pune – 411004.	Service	Indian
	3	Mr. Suhas Deshpande	101, Bhosale Saptasur Apts, Plot No-61/62, Bhosale Nagar, Pune -411007.	Service	Indian
Amount of loan disbursed by Company / any Company in the group, during the year					NIL
Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year					NIL
Amount of loan, if any, taken from any other source for which Company / any Company in the group has provided any security or guarantee					NIL
Any other contribution made					NIL

Annexure - 4 (Contd.)

Brief details of transactions in shares by the Trust

Particulars		Details
Number of shares held at the beginning of the year		37,97,418
Number of shares acquired during the year through		
primary issuance		NIL
secondary acquisition		NIL
percentage of paid-up equity capital as at the end of the previous financial year		NIL
Number of shares transferred to the employees / sold along with the purpose thereof	**Number of shares transferred to the employees / sold during the year**	**Purpose for transfer of shares to the employees / sold during the year**
	8,70,494	KPIT Technologies Limited Employees Welfare Trust ("Trust"), is a trust formed for employee welfare activities, which includes, administration of our Company's Employee Stock Option Plan ("ESOP") Schemes. As part of its operations, the Trust is allotted shares by the Company and the Trust, in turn, transfer to the employees and sells such shares in the course of administration of the ESOP schemes. The holding of shares and the sale/ transfer of shares by the Trust, is done on behalf of the employees.
Number of shares held at the end of the year	29,26,924	

In case of secondary acquisition of shares by the Trust

Particulars	Number of shares	As a percentage of paid-up equity capital at the end of the year immediately preceding the year in which shareholders' approval was obtained.
Held at the beginning of the year	23,07,039	0.94
Acquired during the year	Nil	0.00
Sold during the year	Nil	0.00
Transferred to the employees during the year	8,70,494	0.32
Held at the end of the year*	14,36,545	0.52

* All these secondary shares are backed by outstanding options (grants) except acquired during the year.

For and on behalf of Board of Directors

Pune
April 29, 2024

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

ANNEXURE 5

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

   KPIT has always been a socially responsible organization while creating a significant impact through its focus areas of Education, Energy and Environment, driving them primarily through Employee Engagement at the core of all the focus areas.

   Our commitment stays and is demonstrated across every region and every location where KPIT is present worldwide. Our employees and their families continued their participation in various CSR activities to create and contribute towards a cleaner, smarter, and safer world.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Anant Talaulicar	Chairman (Independent Director)	2	2
2	Mr. S. B. (Ravi) Pandit	Member (Non-Executive Director)	2	2
3	Mr. Sachin Tikekar (w.e.f. October 30, 2023)	Member (Joint Managing Director)	2	-
4	Mr. Anup Sable (upto October 30, 2023)	Member (Executive Director)	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company: https://www.kpit.com/investors/policies-reports-filings/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **NA**

5. (a) Average net profit of the company as per sub-section (5) of section 135 : ₹ **2,528,775,145**

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135 : ₹ **50,575,503**

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**

   (d) Amount required to be set-off for the financial year, if any: **NIL**

   (e) Total CSR obligation for the financial year [(b)+(c) - (d)]: ₹ **50,575,503**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 38,708,123**

   (b) Amount spent in Administrative overheads: ₹ **2,528,775**

   (c) Amount spent on Impact Assessment, if applicable: **NA**

   (d) Total amount spent for the Financial Year [(a)+(b) + (c)]: ₹ **41,236,898**

   (e) CSR amount spent or unspent for the Financial Year:

Annexure - 5 (Contd.)

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 41,236,898	₹ 9,500,000	April 05, 2024	NA	NIL	NA

(f) Excess amount for set-off, if any: **NO**

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹ 50,575,503
(ii)	Total amount spent for the Financial Year	₹ 41,236,898
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
				NIL				

Annexure - 5 (Contd.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Yes**

   If yes, enter the number of Capital assets created/ acquired.

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or Assets	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number	Name	Registered address
1	Aahuja 40W Speaker (Ratna Prabha Bungalow, Near E-Seva Kendra, Panchali Lane Vadgaon, Pune 411041)	411041	February 24, 2024	16,500	CSR00002686	POORNAM ECOVISION FOUNDATION	Flat No. 19, 4th Floor, Building A, S. No.13/3, Sai Residency, Dhayari, Pune Maharashtra 411041
2	Canon Camera EOS R10018-45 Lens (Ratna Prabha Bangalow, Near E-Seva Kendra, Panchali Lane Vadgaon, Pune 411041)	411041	March 19, 2024	53,900	CSR00002686	POORNAM ECOVISION FOUNDATION	Flat No. 19, 4th Floor, Building A, S. No.13/3, Sai Residency, Dhayari, Pune, Maharashtra, 411041
3	Laptop Lenovo IP Flex 5(82R900D8IN) R7 5700I/16GB/512GB/WIN11, Office H&S 2021 / AMD Radeon/14" WUXGA IPS 300nits Glossy/ 1.55kg/1Y/ BACK Educational Activity Research Centre (EARC),510, Jnana Prabodhini, Sadashiv Peth	411030	February 20, 2024	61,000	CSR00002565	EARC	510, Jnana Prabodhini, Sadashiv Peth
4	Laptop Lenovo IP Slim 3 (82KU017HIN) R5 5500U/8GB/512GB/WIN 11 OFFICE H&S 2021/ INTEGRATED GRAPHICS/ 15.6" FHD 250 nits AG/ arctic Grey/1.65kg/1Y Backlit Educational Activity Research Centre, (EARC) 510, Jnana Prabodhini, Sadashiv Peth	411030	February 20, 2024	38,800	CSR00002565	EARC	510, Jnana Prabodhini, Sadashiv Peth

Annexure - 5 (Contd.)

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or Assets	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number	Name	Registered address
5	Laptop Lenovo IP Slim 3 (82KU017HIN) R5 5500U/8GB/512GB/ WIN 11 Office H&S 2021/ Integrated Graphics/ 15.6" FHD 250 nits AG/arctic Grey/1.65kg/1Y Backlit Educational Activity Research Centre, (EARC) 510, Jnana Prabodhini, Sadashiv Peth	411030	February 20, 2024	38,800	CSR00002565	EARC	510, Jnana Prabodhini, Sadashiv Peth
6	JUKI 8100E Direct Drive sewing machines. Vendor Shree Balaji Sales and Services Sadashiv Peth Opp New English school Pune 411030 10 machines at MKSSS MNVTI Karvenagar Pin code 411052 5 machines at BKVTI Vadgaon Sheri Pin code 411014	411052 411014	March 22, 2024	4,30,000	CSR00003823	Maharshi Karve Stree Shikshan Samstha Manilal Nanavati Vocational Training Institute for women	Maharshi Karve Stree Shikshan Samstha, Manilal Nanavati, Vocational Training Institute for women, Cummins college road, Shahu Colony, MKSSS Samtha Gate No. 4 Karvenagar, Pune 411052.
7	Tata Ace EV (MH12WJ3673) Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006	411006	March 14, 2024	8,45,000	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006
8	NI 5565 DD Q Direct Drive Machine (2 Qty) Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006	411006	March 22, 2024	57,557	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006

Annexure - 5 (Contd.)

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or Assets	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number	Name	Registered address
9	NI S3-5DS Five Thread Overlock Machine Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune-411006	411006	March 22, 2024	31,466	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune-411006
10	Novel Deluxe Model Sewing Machine with Motor (15 Qty) Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006	411006	March 22, 2024	1,28,100	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006
11	Wooden Stools (30 Qty) Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006	411006	March 28, 2024	21,000	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006
12	Storage Cupboard (2 Qty) Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006	411006	March 23, 2024	49,500	CSR00009375	Surajya Sarvangin Vikas Prakalp (Run under the aegis of Swargiya Nana Palkar Smruti Samiti, Pune)	Office No. 23/24, Surabhi Complex, Maharashtra Housing Board, Yerawada, Pune 411006
13	Slotted Angle Rack X 10 Qty Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411016	411016	March 28, 2024	68,440	CSR00003799	JANWANI	Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411016

Annexure - 5 (Contd.)

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or Assets	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number	Name	Registered address
14	Storage Bins 64425 CC Blue X 25 Qty Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411017	411017	March 28, 2024	21,000	CSR00003800	JANWANI	Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411017
15	Pedestal Fan X 2 Qty Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411018	411041	March 28, 2024	18,000	CSR00003801	JANWANI	Sr. No. 100/A/2, Ground Floor, Shivam Apartment, Shramiknagar, Near Sukhniwas Society, Asha Nagar Road, Shivajinagar, Pune 411018

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **NA**

   During FY 23-24, the Company has spent ₹ 41,236,898 on various projects. The unspent balance of ₹ 9,500,000 is towards the ongoing project of Pune International Centre (PIC) and is transferred to the unspent CSR account and will be spent pursuant to Section 135 (6) of the Companies Act, 2023 and the CSR Rules, 2014.

Sr. No.	CSR projects Identified	Sector in which the project is covered	Location City/District (State)	Proposed Budget 23-24	Actual Spent 23-24	Balance	Remarks	Amount spent: Direct or through implementing agency	CSR Registration Number	Project Type
1	Waste Management	Environmental sustainability	Pune (Maharashtra)	18,60,000	18,60,000	-	-	Agency: Poornam Ecovision Foundation	CSR00002686	Other than Ongoing
				18,44,500	18,44,500	-	-	Agency: Janwani	CSR00003799	Other than Ongoing
2	Conservation of Private Forests in Koyna-Chandoli Corridor	Ecological balance	Satara (Maharashtra)	8,00,000	8,00,000	-	-	Agency: Wildlife Research & Conservation Society	CSR00004158	Other than Ongoing
3	Tree plantation	Environmental sustainability	Pune (Maharashtra)	47,00,000	47,00,000	-	-	Agency: 14 Trees Foundation	CSR00055456	Other than Ongoing
4	Chhote Scientists	Promoting education	PAN India	15,12,995	15,12,995	-	-	Agency: Youth For Seva	CSR00000368	Other than Ongoing
				55,00,000	55,00,000	-	-	Agency: Jnana Prabodhini	CSR00002565	Other than Ongoing
5	KPIT Sparkle	Promoting education	PAN India	98,47,696	98,47,696	-	-	Direct	-	Other than Ongoing
6	KPIT Shodh	Promoting education	PAN India	19,90,000	19,90,000	-	-	Direct	-	Other than Ongoing
7	Encouraging the Lawn Tennis in India	Training to promote Olympic Sports	Pune (Maharashtra)	38,07,724	38,07,724	-	-	Agency: In Association with PMDTA	CSR00016166	Other than Ongoing
8	Economic Empowerment of Women through skill training	Women empowerment	Pune (Maharashtra)	23,00,000	23,00,000	-	-	Agency: Swargiya Nana Palkar Smriti Samiti, Pune	CSR00009375	Other than Ongoing
				12,10,090	12,10,090	-	-	Agency: Maharshi Karve Stree Shikshan Sanstha	CSR00003823	Other than Ongoing
9	KPIT STEM Dialogues	Promoting education	Pune (Maharashtra)	7,67,150	7,67,150	-	-	Direct	-	Other than Ongoing
10	Center for Sustainable Energy and Mobility	Environmental sustainability	Pune (Maharashtra)	1,20,67,968	25,67,968	95,00,000	Unspent amount pursuant to Ongoing Project is transferred to "Unspent CSR Account.	Agency: Pune International Centre	CSR00013432	Ongoing
	Admin Overheads (5% of total CSR expenditure)			25,28,775	25,28,775	-				
			Total	5,07,36,898	4,12,36,898	95,00,000				

Pune
April 29, 2024

Kishor Patil
CEO & Managing Director

Anant Talaulicar
Chairman of CSR Committee

ANNEXURE 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31 March, 2024 ('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, 2024 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment. and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

(*a*) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit Period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(a) The Information Technology Act, 2000.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Annexure - 6 (Contd.)

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, the following specific event took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

- The Board at its meeting held on 9 November 2023 has approved the initial strategic acquisition of 13% shareholding in N-Dream AG (N-Dream), a Cloud based Game Aggregation Platform company, based in Switzerland, with an option to increase the shareholding further.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144
Unique Identification No:
F001370F000264424

Place: Pune
Date: April 29, 2024

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-41157.

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

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

Dr. K. R. Chandratre

FCS No.: 1370, C. P. No.: 5144
Unique Identification No: F001370F000264424
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: April 29, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Global Outlook

The January 2024 IMF Global Economic Outlook projects global growth to be at 3.1% in 2024 and 3.2% in 2025, with a slight upward revision for 2024 due to stronger-than-expected performance in some major economies. The IMF upgraded global growth by 0.2% on account of greater-than-expected resilience in the US economy. World trade growth is estimated to be 3.3% in 2024 and 3.6% in 2025, but still is below the historical average growth of 4.9%.[1]

In 2023, Global Central banks continued to unite in their battle against rising Inflation and monetary policies were highly restrictive as interest rates hit multi-decadal highs, with the US federal funds rate exceeding 5%, last seen only in the mid-2000s. The IMF forecasts global Inflation to fall further from an estimated 6.8% in 2023 to 5.8% in 2024 and further down to 4.4% in 2025. The IMF expects, with disinflation and steady growth, the risk of a hard landing has receded, the risks to global growth are broadly balanced.

For the United States, growth is projected to fall from 2.5% in 2023 to 2.1% in 2024 and 1.7% in 2025, with the lagged effects of monetary policy tightening and gradual fiscal tightening. Growth in the Europe is projected to recover from its low rate of an estimated 0.5% in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.9% in 2024 and 1.7% in 2025. The IMF forecasts that Germany, which had a contraction in its economy in 2023, will grow by 0.5% in 2023 and 1.6% in 2024. The German economy was impacted by subdued foreign demand, ongoing geopolitical tensions and high energy prices that resulted in a weaker trade for goods.[2] The silver lining for the economy was that inflation fell from low double-digit levels in 2022 to around 6% for 2023. France is also expected to have a steady growth of 1.0% in 2023 and 1.7% in 2024. The United Kingdom is projected to rise modestly, from an estimated 0.5% in 2023 to 0.6% in 2024, as the lagged negative effects of high energy prices wane, then to 1.6% in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover.

The IMF upgraded China's growth by 0.4% since its last quarterly report and forecasts to grow by 4.6% in 2024 and 4.1% in 2025. India stands out and is now one of the fastest-growing large economies, with a forecasted 6.5% growth in India's Financial Year 2024 and 2025. Japan's growth, after a stellar 1.9% in 2023, is expected to decelerate to 0.9% in 2024 and 0.8% in 2025.

The downside risk to growth emanates from commodity price spikes due to the emerging geopolitical situation, sticky core inflation, resulting into continuation of tighter monetary policy. The war in the Middle East may escalate further into the wider region, which produces about 35% of the world's oil exports and 14% of its gas exports. This could disrupt oil and gas supplies and cause a sharp increase in global energy prices, with adverse effects on growth and inflation. In addition, the fiscal situation in certain economies, given the rising debt ratios, can result in spending cuts as well as tax hikes that may result in a reduction in growth in the near term.

The upside to growth emerge from faster than expected disinflation, easing the monetary conditions, a faster recovery in China and a slower withdrawal of fiscal support, especially in the advanced economies. Equity markets rallied towards the end of the calendar year 2023 as market participants priced in multiple rate cuts as inflation started taking a downward trajectory.

Automotive And Mobility Industry Trends

Global Automotive Sales Rebound

In 2023, the global automotive industry witnessed a remarkable resurgence. Light vehicle sales surged to nearly 86 million units, reflecting an 8.9% increase from 2022.[3] This robust growth was primarily driven by improved supply chain conditions and the normalization of production outputs. Regionally, Europe experienced a 12.8% year-over-year increase, benefiting from enhanced production and inventory recovery.

Sources: [1] IMF, [2] European Commission, [3] S&P Global

The United States also saw a significant rise, propelled by higher inventory levels and strong demand for new vehicle models. In China, the world's largest automotive market, sales increased by 4.9%, as a result of support from government incentives for new energy vehicles (NEVs) and a recovery in local production.

Looking ahead to 2024, global light vehicle sales are projected to grow by 2.8% year-over-year.[3] The ongoing recovery in light vehicle output is expected to continue supporting inventory restocking efforts across various regions. This positive outlook is underpinned by recovering supply chains and sustained pent-up consumer demand. However, challenges such as elevated vehicle pricing and stringent credit and lending conditions remain. The forecast also accounts for factors like persistent high-interest rates, the affordability squeeze, new vehicle prices, fluctuating consumer confidence, energy price concerns, auto lending risks, and the growing pains of ongoing electrification.

The global medium and heavy-duty truck (MHDT) market experienced a mixed performance in 2023. The market dynamics were influenced by moderate global GDP growth, supply chain disruptions, and inflationary pressures. Despite these challenges, the latter half of the year saw a recovery in demand and production as economic conditions improved. The global MHDT market is expected to remain nearly flat between 2021 and 2030, with a slow recovery from the post-COVID baseline. Major markets in North America and Europe are showing recovery from the sharp declines experienced due to COVID-19. In China, the largest market, sales are expected to average out around 1.2 million units per year after the peak years of 2019 and 2020. Meanwhile, the Indian market is projected to exhibit the highest growth, driven by strong economic development. Key trends driving the growth and adoption of technology and software within commercial vehicles include efforts to consolidate scale and expand product portfolios, stringent and frequently-changing emission regulations, and major technological disruptions driven by electrification to meet these regulatory demands. Additionally, advancements in autonomous driving are progressing due to driver shortages and safety concerns, while leveraging data and connected services enhances customer experience, fleet uptime, predictive maintenance, and monetizing use cases.

The global electric vehicle (EV) market continues to demonstrate exceptional growth, with projections indicating it will reach USD 1.3 trillion by 2030, supported by a robust CAGR of 26.8% from 2023 onwards. In 2023, China led this surge with over 4 million units sold, followed by significant contributions from Europe and North America.

Increased R&D Spending

In 2023, global R&D spending in the automotive and mobility sector reached USD 150 billion, emphasizing a substantial focus on software and technological innovations. These investments are crucial for maintaining competitive advantage, faster time-to-market and addressing the evolving demands of the mobility industry.

The automotive industry is moving towards newer value pools, a strategic shift that is driven by evolving customer demand, emerging technologies and tightening regulations. This will see the value in the industry shift from manufacturing and transactional sales to the complete vehicle lifecycle, and will open opportunities for automakers, battery manufacturers, suppliers, energy companies, and for investors to shift to new areas of focus. This presents a global opportunity of over USD 660 Bn by 2030[4] for the industry as it shifts its focus away from internal combustion engine (ICE) vehicles to electric vehicles (EVs). Some of key focus and spend areas for the Mobility industry would be:

- **Batteries, Charging and Energy Storage**

  By 2040, the number of Electric Vehicles (Battery Electric and Hybrid Electric) are expected to be more than non-EVs. Batteries and Charging (Infra, Technology) are paramount to steer this successful EV transition.

Sources: [4] EY

- **New Vehicle Architecture**

  The shift from hardware to software-defined vehicle (SDV) architectures, unlocks new revenue pools for mobility OEMs, enabling to launch data-based services, and are likely to drive cost efficiencies, faster feature deployment and improve consumer experiences.

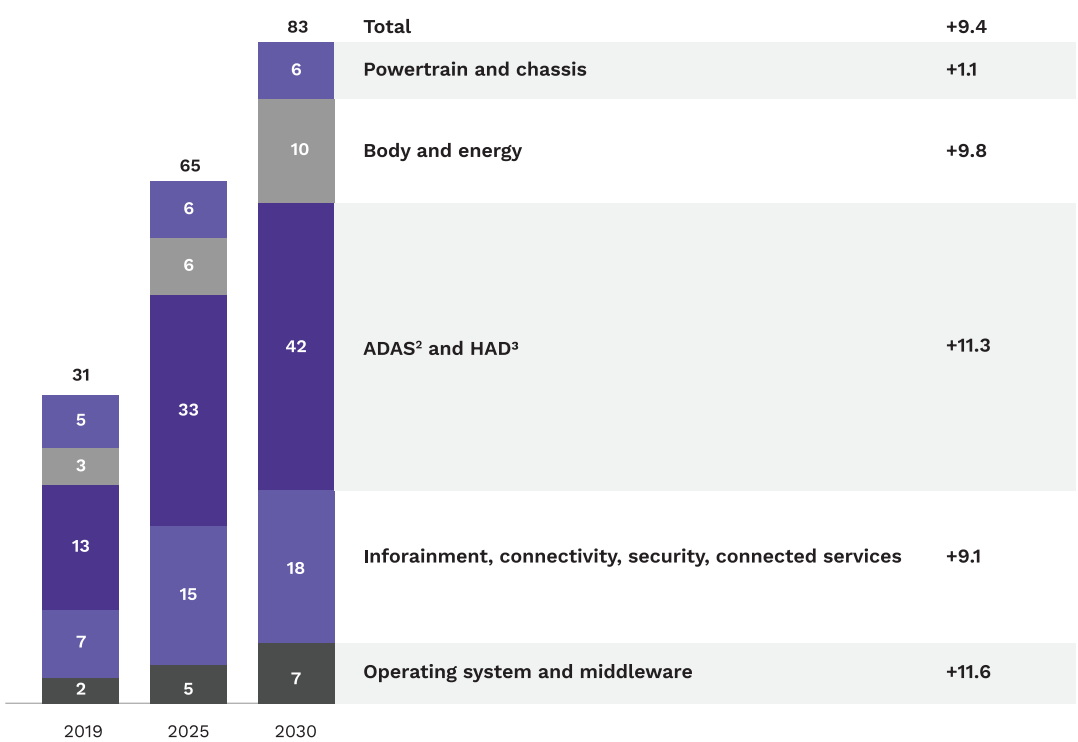
- **Move towards sustainability and fully circular models**

  Incorporating reusing and recycling materials promises a greener automotive and mobility industry and might present an alternative approach to ease the ever-increasing geopolitical war for rare minerals.

- **AI for all**

  The mobility industry is leveraging AI to revolutionize various aspects of vehicle production, performance, and user experience. OEMs are increasingly investing in AI to enhance autonomous driving capabilities, improve predictive maintenance, and create personalized in-car experiences. By integrating AI, automakers can analyze vast amounts of data to optimize vehicle performance, predict component failures before they occur, and offer tailored services to drivers. As AI continues to advance, it opens new avenues for innovation, making vehicles smarter, safer, and more efficient, thus driving the industry's transition towards a more sustainable and technology-driven future.

The automotive software market is projected to grow to roughly $80 billion in 2030—a CAGR of more than 9%[5]



Note: Figures may not sum, because of rounding.

1. Software includes function development, integration, and verification or validation
2. Advanced driver assistance systems
3. Highly autonomous driving

Sources: [5] McKinsey

The automotive software market is projected to more than double in size from $31 billion in 2019 to roughly $80 billion in 2030—a CAGR of more than 9%. ADAS and AD software will account for much of this growth and make up almost half the software market by 2030. Infotainment, connectivity, security, and connected services will also grow at pace with the overall software market, becoming the second-largest software market by 2030. This growth is driven by a high share of connected vehicles and demand for features such as in-car payments, location-based services, and music streaming. The market for body and energy software will exhibit a CAGR of 10% because of increasingly stringent energy management requirements for EVs and an increasing number of premium comfort features in lower vehicle segments.

Overall, the automotive and mobility industry is on a positive trajectory, driven by technological advancements and increasing investments in R&D. The automotive and mobility market is witnessing a significant transformation driven by evolving consumer demand, technological advancements, and stringent regulations. The industry is shifting from traditional internal combustion engines (ICE) to electric vehicles (EVs), creating new opportunities and challenges. KPIT is well-positioned to leverage these trends with its focus on software and system integration for automakers, including passenger cars and trucks and be their trusted partner in this transformation. The Company anticipates a robust growth trajectory, driven by its solid pipeline and extensive work in embedded software, electrification, autonomous driving, e-cockpit solutions, and central architecture. KPIT's deep engagement with global OEMs and increasing business with Indian automakers further solidifies its market position, enabling it to capitalize on the industry's shift towards more modern and technology-driven vehicles. Despite uncertainties such as geopolitical tensions and economic pressures in key markets like Europe and China, KPIT remains optimistic about achieving an 18-22% growth rate, supported by its strategic initiatives and the expanding EV market.

KPIT Overview

KPIT's Vision is 'Reimagining mobility with you for creation of a cleaner, smarter, safer world.'

The Company is a global partner to the automotive and mobility ecosystem for making software-defined vehicles a reality. It is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 13000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, KPIT accelerates its clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, USA, Japan, China, Thailand, and India, KPIT works with leaders in automotive and Mobility and is present where the ecosystem is transforming.

In the pursuit toward its vision of reimagining a cleaner tomorrow, KPIT is committed to Sustainability. In its ongoing commitment and journey towards sustainability, KPIT has launched EcoVoyage to double down on our Vision of "Reimagining Mobility for the creation of a cleaner, smarter, and safer world". This is a unique programme which helps bring an organizational focus on sustainability across ALL aspects of business over time. Moving forward, KPIT will minimize its operational footprint by, including but not limited to:

- Revising our processes to achieve Net Zero emissions by 2030
- Investing, building and integrating innovative solutions with lens of sustainability through the KPIT Centers of Excellence for Mobility Domains (Practices)
- Aligning our KPIT delivery teams to cleaner, smarter, safer coding practices and to do more with less
- Working with our select clients to expand the partnerships to sustainability, to scale our collective impact
- Encouraging every KPITian to integrate sustainability-focused actions at work and at home

Significant highlights from the year

During FY 23-24, the Company continued to work and win strategic engagements with its T25 clients. KPIT entered key strategic partnerships with major global automotive OEMs and technology companies to co-develop next-generation automotive technologies. Collaborations with leading universities and research institutions were strengthened to drive innovation and stay ahead in the competitive landscape. These engagements are broad-based, multi-year and across practice domains for both Passenger Vehicle and Commercial Vehicle OEMs. KPIT expanded its global footprint by establishing new development centers and offices in strategic locations, enhancing its ability to serve clients worldwide.

The Company continues to explore and invest in new technologies relevant for the mobility industry. During the year, KPIT joined a small and elite group of sustainability-focused organizations worldwide that have developed sodium-ion-based battery technology. This battery technology promises to reduce import dependency on core battery materials. It has several use-cases for automotive and mobility, especially for electric two and three-wheelers and commercial vehicles.

KPIT has partnered with Microsoft to introduce an Azure OpenAI Service-powered Copilot to transform automotive repair and maintenance. The Copilot is built on KPIT's proven root cause diagnostics platform Trace2Fix, which addresses customer retention and dealership profitability challenges. These challenges stem from difficulties in identifying the underlying root causes due to complex vehicle systems and a global shortage of certified and skilled service technicians.

FINANCIAL PERFORMANCE

REVENUE

During FY24, KPIT Technologies' $ revenue stood at $587.3 Million, a Y-o-Y growth of 40.4% against $418.28 Million in FY23. In ₹ terms, revenue for the year was reported at ₹48,715.4 Million as against ₹33,650.4 Million in FY23, a Y-o-Y growth of 44.8%.

The passenger cars vertical contributed around 77.1% of the total revenues in FY24 whereas the the commercial vehicles segment contributed around 19.0% of the revenues.

In terms of geography, the United States contributed around 30.8%, Europe 52.0% and the balance 17.2% came from Asia. Europe led the growth followed by Asia and then the United States.

Our Strategic Accounts contributed around 84.6% of the overall revenues and growth in these accounts was close to 44.0%.

Starting FY25 on a strong footing, the Company will be deepening its focus on Strategic Client Partnerships, Technology Innovations, People and Zero-Defect Deliveries. With a lookout for future growth areas, we will also be pivoting our investments on enhancing domain practices and sharpen our focus on Commercial Vehicles and Asia strategy.

PROFITABILITY

The EBITDA for FY24 stood at 20.3% as against 18.9% for FY23. The EBITDA for FY24 was ₹9,913.3 Million. The Net Profit for FY24 stood at ₹5,945.3 Million, a Y-o-Y growth of 56.0%.

With EBITDA growth in Q4, FY24 registered 15th consecutive quarter of steady revenue and EBITDA growth.

In the medium term, we want to focus on improvement in operating profitability with emphasis on productivity improvement, increase in offshore revenues, leveraging of fixed costs and scaling up in our strategic accounts. We would want to invest further in technology, front-end and people to strengthen our positioning and ability to grow at a faster rate in the coming years. Thus, the increased operating profits would majorly be invested in the above areas and thus the reported operating profits would be net of these added investments.

SHAREHOLDERS' FUNDS

The Shareholders' Funds as at March 31, 2024 stood at ₹21,629.7 Million.

LIQUIDITY

The Cash Balance as at March 31, 2024 stood at ₹8,959 Million as against ₹6,288 Million as at March 31, 2023.

The DSO were at 51 days as at March 31, 2024 as against 54 days as at March 31, 2023 as we continue our consistent focus on faster cash conversion.

As on March 31, 2024 the total debt on the books of the company stood at ₹445 Million consisting fully of Working Capital Loan in the books of Technica.

Thus, the Net Cash Balance as at March 31, 2024 stood at ₹8,514 Million as against ₹5,802 Million as at March 31, 2023, a net operational increase (without considering M&A payouts) of ₹6,463 Million.

EMPLOYEES

The total headcount for the Company stood at 12,856 as at the end of FY24. The same was 11,013 as at the end of FY23. The Development Headcount was 12,064 as against 10,297 last year. The detailed 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.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY:

Corporate Governance is the structure of rules, practices and processes which serves as a base for a Company to institute environmental awareness, ethical behavior, corporate strategies, compensation, and risk management. It ensures fundamental value framework for efficient functioning of enterprise and the culture of an organization. It oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors, society at large and helps the Company evolve with changing times. Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company constantly endeavors to promote mutual trust and co-operation with all its stakeholders by practicing requisite levels of disclosure and transparency, as per applicable laws and its policy(ies). The Company engages itself in a transparent manner with all its stakeholders which help them to understand its long-term strategies and enables Company to earn the trust and goodwill of its investors, business partners, employees, and the communities, in which it operates. All its actions are governed by its values and principles, which are reinforced at all levels of the Company. Strong leadership and effective corporate governance practices have been the Company's culture and ethos.

To achieve our business vision, mission and establish culture of excellence, we have incorporated seven key behavioural attributes within our ecosystem. These are part of performance management system also so that each KPITian demonstrates this in everyday action.

Anyone who lives in the culture of excellence will **LEARN CONTINUOUSLY** to build world-class competence. While the competency is being developed, one gets the opportunity to work on challenging projects. To produce results in these challenging projects one needs to **SEEK CLARITY** on the deliverables from the stakeholders, repeatedly. In doing so, one needs to have the courage and tact to **PUSH BACK** when not in alignment. Once commitments are made, one must strive to **KEEP COMMITMENTS** on every deliverable. If these attributes are meticulously developed, the chances of success increase multifold. In the small chance that one fails to deliver, one needs to **OWN FAILURES**, without defending. It's okay to fail, but not okay to repeat the mistakes. Hence, one must document the learnings from the failures and learn from the same. One's success depends on others too and one has the responsibility to grow others while growing. With this spirit, one must **SHARE KNOWLEDGE** of both success and failures with others. These steps will catapult us to achieve our stated mission. This will make everyone together, **CELEBRATE SUCCESS**!!

The aforementioned seven behaviors are defined as below:

Key Behavioural Aspect (KBAs)	Definition
Learn Continuously	Demonstrate learnability consistently, seek feedback periodically (including from younger colleagues) and provide feedback constructively.
Seek Clarity	Seek clarity for each task.
Push Back	Push-back when not convinced, else own the decisions.
Keep Commitments	Keep to commitments on every deliverable - time, quality, scope.
Own Failures	Own failures without justifications and list learnings.
Share Knowledge	Share knowledge with others and help them improve.
Celebrate Success	Celebrate contribution and success of all stakeholders.

The Company is passionate about ESG (Environment, Social, Governance), since these three elements are the core of KPIT and strengthen the Company in continuing its journey towards our vision of creating a *cleaner, smarter, and safer world*. 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. Balance between economic and social goals.
2. Compliance with the relevant laws and conformity with globally accepted practices of corporate governance, secretarial standards prescribed by the ICSI and laws of India in true spirit.
3. Commitment towards its policies focusing on environmental impact management, resource conservation, and climate protection such as the Environment, Occupational Health and Safety Policy, the Vendor Code of Conduct.
4. Creating greater positive impact on society and environment by integrating sustainability factors into its business operations.
5. Equitable treatment and rights of shareholders.
6. Establishing better enterprise risk management framework and risk mitigation measures.
7. Integrity in financial reporting and timeliness of disclosures.
8. Maintaining independence of auditors.
9. Maintenance of ethical culture within and outside the organization.
10. Transparency in the functioning and practices of the Board.

Corporate Governance (Contd.)

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 considering the interest of the stakeholders and the annual audit is conducted by an independent and qualified auditor. Investor updates and earnings call transcript are uploaded on the Company's website on a quarterly basis. Further, additional updates are provided to the stakeholders on any matter that concerns them, as and when the circumstances arise.

Our Board of Directors periodically reviews its corporate strategies, annual budgets, and sets, implements and monitors corporate objectives. It effectively monitors the Company's governance practices and ensures transparent Board processes. Further, it appoints and compensates the key executives and monitors their performance. It strives to maintain the overall integrity of the accounting and financial reporting systems.

I. BOARD OF DIRECTORS

A. SIZE AND COMPOSITION OF THE BOARD

In order to maintain the 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 eleven Directors as on March 31, 2024, one is Non-Executive Chairman, four are Executive Directors and six are Independent Directors. The Board Members have diverse backgrounds 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, 2024

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 of the Board	Non-executive	Relative of Mr. Chinmay Pandit, Executive Director	2	1	Nil	Thermax Limited	Independent Director
2	Mr. Kishor Patil, CEO & Managing Director	Executive	None	1	1	Nil	Nil	Nil
3	Mr. Sachin Tikekar, President & Joint Managing Director	Executive	None	1	Nil#	Nil	Nil	Nil
4	Mr. Anup Sable, CTO & Whole-time Director	Executive	None	1	1$	Nil	Nil	Nil
5	Mr. Chinmay Pandit, Whole-time Director	Executive	Relative of Mr. S. B. (Ravi) Pandit, Chairman of the Board	1	Nil	Nil	Nil	Nil
6	Mr. Anant Talaulicar	Independent	None	8	2	2	1) The Hi-Tech Gears Limited	Independent Director
							2) Everest Industries Limited	Independent Director
							3) India Nippon Electricals Limited	Independent Director
							4) Endurance Technologies Limited	Independent Director

Corporate Governance (Contd.)

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
7	Mr. B V R Subbu	Independent	None	3	2	2	1) MTAR Technologies Limited	Independent Director
							2) Sona BLW Precision Forgings Limited	Independent Director
8	Prof. Alberto Sangiovanni Vincentelli	Independent	None	1	Nil	Nil	Nil	Nil
9	Ms. Bhavna Doshi	Independent	None	7	3	5	1) Nuvoco Vistas Corporation Limited	Independent Director
							2) Indusind Bank Limited	Independent Director
							3) Sun Pharma Advanced Research Company Limited	Independent Director
							4) The Great Eastern Shipping Company Limited	Independent Director
10	Prof. Rajiv Lal	Independent	None	1	Nil	Nil	Nil	Nil
11	Mr. Srinath Batni^	Independent	None	2	1	Nil	Cigniti Technologies Limited	Independent Director

* Including directorship of KPIT Technologies Limited.

@ Includes only Audit Committee & Stakeholders Relationship Committee in all public limited Companies including KPIT Technologies Limited.

Member of Stakeholders Relationship Committee up to October 30, 2023.

$ Member of Stakeholders Relationship Committee from October 30, 2023.

^ Appointed with effect from July 25, 2023.

B. CORE COMPETENCIES OF THE BOARD OF DIRECTORS AS PER THE REQUIREMENTS GIVEN IN SCHEDULE C OF CORPORATE GOVERNANCE REPORT OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Board of Directors has identified skills/competencies/expertise such as Business Operations & Management, Technical expertise, Business operations at Global Level including Industry knowledge, Strategy and planning, Financial, Treasury Management and Taxation, Governance, Compliance and Risk Management in order to assist the management and provide them advice in the business operations, which are available with the current Board of Directors of the Company. The list of expertise/core skills/competencies identified by the Board of Directors is detailed in Table 2.

Corporate Governance (Contd.)

Table 2: Expertise/core skills/competencies identified by the Board of Directors.

Sr. No.	Name of Director	Business Operations and Management	Technical expertise	Business operations at Global Level including industry knowledge	Strategy and planning	Financial, treasury management and taxation expertise	Governance, Compliance and Risk Management
1	Mr. S. B. (Ravi) Pandit	-	√	√	√	-	√
2	Mr. Kishor Patil	√	√	√	√	√	-
3	Mr. Sachin Tikekar	√	√	√	√	-	-
4	Mr. Anup Sable	√	√	√	√	-	-
5	Mr. Chinmay Pandit	√	√	√	-	-	√
6	Mr. Anant Talaulicar	√	-	√	√	√	√
7	Mr. B V R Subbu	-	√	√	√	√	-
8	Prof. Alberto Sangiovanni Vincentelli	-	√	√	√	-	√
9	Ms. Bhavna Doshi	-	-	√	√	√	√
10	Prof. Rajiv Lal	-	√	√	√	-	-
11	Mr. Srinath Batni*	√	-	√	√	-	√

* Appointed with effect from July 25, 2023.

C. INDEPENDENT DIRECTORS:

1. Independent Director

All our Independent Directors fulfill the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and also Regulation 16 of the SEBI (LODR) Regulations, 2015 as explained below. We confirm that in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

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

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

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

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

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

e. none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

f. who, neither himself/herself nor whose relative(s)-

(i) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment;

Corporate Governance (Contd.)

(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 of the Board meetings and Board Committee meetings.

b) Chairmanship of the Board and Board Committees.

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

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

e) Independence of behavior and judgment; and

f) Impact and influence.

As a part of the annual Board evaluation, detailed questionnaires were circulated to all the Directors. Based on the responses received on these questionnaires, the Chairman of the Board and the Chairman of the Nomination and Remuneration (HR) Committee evaluated the Board's performance and that of its committees. The Board also conducted performance of directors and fulfilment of criteria as specified in Regulation 17 (10) of SEBI (LODR) Regulations, 2015, and their independence from the management, where the independent directors did not participate.

6. Separate meeting of the Independent Directors

During FY 2023-24, a separate meeting of the Independent Directors of the Company was held on March 1, 2024.

7. Familiarization Programme for Independent Directors

Our directors, at the time of their appointment, are provided with information about the Company and its organization structure, business model, vision and values, latest published financial results, and internal policies to enable them to familiarize themselves with the Company's procedures and practices. The new Directors are also invited to meetings of the Board of Directors and Board

Corporate Governance (Contd.)

Committees held before their appointment which helps them to familiarize themselves with the Company and its Board process. Familiarization programs were also conducted in the month of August 2023 and February 2024. The details of such familiarization programs are uploaded on the website of the Company (https://www.kpit.com/investors/policies-reports-filings/).

During the year, various sessions by Internal and external speakers were conducted to provide an update about the Company and industry practices. 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 them and ask related questions.

D. RESPONSIBILITIES OF THE CHAIRMAN AND OTHER EXECUTIVE DIRECTORS

Mr. S. B. (Ravi) Pandit is the Chairman of the Board of Directors, Mr. Kishor Patil is the Chief Executive Officer (CEO) & Managing Director, Mr. Sachin Tikekar is a President & Joint Managing Director, Mr. Anup Sable is a Whole-time Director and Mr. Chinmay Pandit 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 of the Board is one of the highest supervisory roles in organizational structure. Mr. S. B. (Ravi) Pandit, Chairman of the Board is a co-founder of the Company and has steered the Company from its inception to achieving the leadership position the company holds today globally in the domain of automotive engineering. Over the last 30+ years, under Mr. Pandit's leadership, KPIT has emerged as a premier establishment in mobility. He also interacts with global thought leaders to enhance the Company's leadership position and with various institutions to highlight and take the benefits of the technology to every section of society. Mr. Pandit leads the long-term strategy planning, development & implementation and drives its continuous evolution into a future-focused, and employee- centric organization.

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

Mr. Sachin Tikekar serves as the President, Joint Managing Director and Member of Board at KPIT. Having been part of founding team, he has played a crucial role in formulating the new vision and Mission for KPIT, after the demerger. He has led the strategy and blueprint of KPIT's focused client and OEM-centric approach that has delivered KPIT's industry-leading growth over the last few years. This has also propelled the KPIT brand and positioning in all stakeholders – Clients, Talent and Investor's. In his current role, he is responsible for growing & nurturing global strategic relationships with clients and partners as an Executive sponsor for all the geographies. He is guiding the blueprint of operations & processes to scale KPIT to the next orbit and also driving the roadmap for KPIT to double down on its vision of becoming a world class Sustainable organization.

Mr. Anup Sable, Whole-time Director, is a member of the Executive Board and Chief Technology Officer (CTO) of KPIT. In this role, his keen sense for blending technology trends and customer challenges helps KPIT to formulate a range of solutions and products which bring value to the global automotive ecosystem.

Mr. Chinmay Pandit, Whole-time Director, is a member of the Executive Board & Head of Geography (Americas) and Chief Risk Officer of the Company. Being a Geography head, he is responsible for the overall strategy & growth plan of the Company in said geography and handling USA market & Operations. In his additional role as the Vertical Head, he is responsible for driving growth as well as the Company's investments for the Commercial Vehicles vertical. He is also responsible for all client engagements in the Commercial Vehicles Vertical across the globe. This includes executive-connect with key clients' leadership, business development, operations, people development and the branding & positioning of the organization as a key technology expert.

E. MEMBERSHIP TERM

According to the Companies Act, 2013 and SEBI LODR Regulations, 2015, Independent Directors can hold office for a term of up to five years which can be extended for another period of five years with the approval of the shareholders of the Company.

Mr. Anant Talaulicar, Prof. Alberto Vincentelli and Mr. B V R Subbu were appointed as Independent Directors of the Company for a further period of five years, three years, two years respectively with effect from January 16, 2024, which was approved by the shareholders in Annual General Meeting held on August 29, 2023.

Corporate Governance (Contd.)

Mr. Srinath Batni was appointed as an Independent Director of the Company with effect from July 25, 2023, which was approved by the shareholders in Annual General Meeting held on August 29, 2023.

Dr. Nickhil Jakatdar completed his term as an Independent Director of the Company on January 15, 2024, and consequently has ceased to be a Director of the Company w.e.f. the end of business hours of said date.

Pursuant to Regulation 17(1D) of SEBI LODR Regulations, w.e.f. April 01, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment. Further the requirement specified in Regulation 17(1D) is not applicable to the Whole-Time Director, Managing Director, Manager, Independent Director or a Director retiring as per sub-section (6) of section 152 of the Companies Act, 2013. Mr. S. B. (Ravi) Pandit was appointed by shareholders as Non-Executive Director and Chairman of the Board with effect from March 29, 2020, subject to retire by rotation. Accordingly, his reappointment by way of retiring by rotation was placed before the shareholders in the AGM held on August 24, 2022, and will continue to be reappointed by way of retire by rotation by shareholders in compliance with section 152 of the Companies Act, 2013 and Regulation 17(1D) of SEBI LODR Regulations.

The Executive Directors are appointed by the shareholders of the Company for a maximum period of five years at a time, subject to retirement by rotation and are eligible for reappointment upon completion of their respective term.

Mr. Kishor Patil, CEO & Managing Director and Mr. Sachin Tikekar, President & Joint Managing Director were appointed for a further period of five years with effect from January 16, 2024, which was approved by the shareholders in Annual General Meeting held on August 29, 2023.

As for the Non-Independent Directors, Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar retire at the ensuing Annual General Meeting and being eligible, seeks reappointment as a director pursuant to the provisions of Section 152 of the Companies Act, 2013.

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

F. BOARD & COMMITTEE MEETING AGENDA AND MINUTES

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

- Minutes of the previous Board meeting and meetings of Board committees held in the previous calendar quarter;
- Noting of resolutions passed by circulation;
- Minutes of Board meetings of all subsidiaries held in the previous calendar quarter;
- Quarterly results of the Company and its operating divisions or business segments;
- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Presentation on the financial results, which generally includes the following:
  - Financials for the quarter and its analysis
  - Cash profit generated during the quarter
  - Yearly financial plan vs. actual and its analysis
  - Profitability drivers
  - Utilization of resources
  - Peer group analysis and analyst coverage
  - Mergers and acquisitions pursuits
  - Investments in the Company
  - Subsidiaries' financials and operations
  - Statement on foreign exchange exposure and related mitigating activities
- Presentations of Statutory Auditors' Audit and Limited Review Report;
- Related party transactions (including material transactions with subsidiaries);
- Corporate Governance compliances and statutory compliance certificate;

Corporate Governance (Contd.)

- Entity restructuring, mergers, acquisitions & liquidations.
- Other statutory agenda including action tracker on implementation of decisions taken in previous Board meeting(s) and presentation by Internal Auditors;
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer (CFO) and the Company Secretary, if any;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods / services sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement and its compliance;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front;
- Sale of material nature, of investments, subsidiaries, assets, not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and any shareholders' service such as non-payment of dividend, delay in share transfer etc.

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

G. NON-EXECUTIVE DIRECTORS' SHAREHOLDING

Mr. S. B. (Ravi) Pandit, being Non-executive Director holds 9,89,306 equity shares and Mr. Srinath Batni, Independent director holds 20,000 equity shares in the Company as on March 31, 2024.

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

H. OTHER PROVISIONS AS TO BOARD AND COMMITTEES

1. Board meetings schedule:

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

The Board meets regularly to discharge its duties. Directors allocate adequate time for the preparation of Board and Committee meetings and attendance thereof. The Company sends newsletters to all the Board members to create awareness of the business, its operations and senior management well enough to contribute effectively to Board discussions and decisions. The Board demonstrates that it has the necessary governance policies, processes and systems in place and as such generates trust and support among its stakeholders. It maintains robust governance arrangements to ensure that it always acts in a way that will generate sustainable value for the Company.

During the year, 5 Board meetings were held on the following dates:

a) April 25 & 26, 2023;

b) July 25, 2023;

c) October 30, 2023;

d) November 09, 2023;

e) January 30, 2024;

Corporate Governance (Contd.)

Table 3: Number of Board meetings and the attendance of Directors during FY 2023-24

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	5	5	Yes
2	Mr. Kishor Patil	5	5	Yes
3	Mr. Sachin Tikekar	5	5	Yes
4	Mr. Anup Sable	5	5	No
5	Mr. Chinmay Pandit	5	5	No
6	Mr. Anant Talaulicar	5	5	Yes
7	Mr. B V R Subbu	5	5	Yes
8	Prof. Alberto Sangiovanni Vincentelli	5	5	Yes
9	Dr. Nickhil Jakatdar#	4	3	No
10	Ms. Bhavna Doshi	5	5	Yes
11	Prof. Rajiv Lal	5	5	No
12	Mr. Srinath Batni$	3	2	No

* Including attendance by video conference.
$ Appointed with effect from July 25, 2023.
# Ceased to be a director with effect from January 15, 2024.

2. Membership of Board committees

None of the Directors of the Company hold membership of more than ten committees nor Chairmanship of more than five committees of boards of all the companies where he / she holds directorships. (Please refer Table 1).

3. Review of compliance reports

For monitoring and ensuring compliance with applicable laws by the Company and its subsidiaries located in and outside India and for establishing adequate management control over the compliances of all applicable acts, laws, rules, regulations and regulatory requirements, the Company has set-up a regulatory compliance process within the organization. The CFO and the Company Secretary of the Company present a quarterly compliance certificate before the Board of Directors of the Company which reviews the same on a quarterly basis in its Board Meetings.

I. CODE OF CONDUCT

The Company has adopted a Code of Conduct for its Board Members, senior management and all employees and this Code has been posted on the Company's website. All the Board Members and senior management personnel affirm compliance with the Code on an annual basis. The declaration of the CEO & Managing Director to this effect is provided in this Report.

J. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

In an effort to demonstrate the highest standards of transparency, the Company has adopted the 'Vigil Mechanism' and 'Whistle Blower Policy', which has established a mechanism for employees to express and report their concerns to the management in a fearless manner about unethical behavior, fraud, violation of the code of conduct or ethics. This mechanism also provides for adequate safeguards against victimization of employees who avail this mechanism and 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.

Corporate Governance (Contd.)

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

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

II. COMMITTEES OF THE BOARD

During the year, the Board of Directors of the Company continue to have five Committees viz. Audit Committee, Nomination and Remuneration (HR) Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Enterprise Risk Management Committee. All of these Committees are chaired by Independent Directors except the Enterprise Risk Management Committee which is chaired by a Non-executive Director. The Board is responsible for constituting, co-opting and fixing the terms of reference for the committees. Normally, the Audit Committee and Nomination and Remuneration (HR) Committee meet at least four times a year. The Stakeholders Relationship Committee, Corporate Social Responsibility Committee meets at least twice a year. Enterprise Risk Management Committee meets at least thrice a year. Except where a statutory quorum has been prescribed, the quorum for committee meetings is either two members or one-third of the total strength of the committee, whichever is higher. Draft minutes of the committee meetings are circulated to the members of those committees for their comments and thereafter, confirmed in their next meeting. The Board of Directors also take note of the minutes of the committee meetings and meetings of the subsidiaries held in the previous calendar quarter, at its meetings.

A. AUDIT COMMITTEE

Composition

The Audit Committee consists of three Independent Directors. Ms. Bhavna Doshi is a Chairperson of the Committee. Mr. Anant Talaulicar and Mr. B V R Subbu are other members of the Committee. All members of this Committee are financially literate. Brief profiles of all the Committee members are provided in 'Additional Shareholders Information' section of this Annual Report. The Company Secretary is the Secretary to the Committee. The Statutory Auditors and the Internal Auditors also make their presentations at the Committee meetings.

Role and objectives

The management is responsible for the company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audit of the Company's financial statements in accordance with generally accepted auditing practices and for issuing report based on such audit. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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

1. oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    i. 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;
    ii. changes, if any, in accounting policies and practices and reasons for the same;
    iii. major accounting entries involving estimates based on the exercise of judgment by management;
    iv. significant adjustments made in the financial statements arising out of audit findings;
    v. compliance with listing and other legal requirements relating to financial statements;
    vi. disclosure of any related party transactions;
    vii. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

Corporate Governance (Contd.)

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 issue or rights issue or preferential issue or qualified institutions placement, 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. management letters / letters of internal control weaknesses issued by the statutory auditors;
23. internal audit reports relating to internal control weaknesses;
24. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
25. 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;
26. 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).
27. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

Meetings

During FY 2023-24, the Audit Committee met four times i.e., on April 25, 2023, July 24, 2023, October 27, 2023, and January 29, 2024. The details of meetings and attendance are given in Table 4.

Table 4: Audit Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Ms. Bhavna Doshi, Chairperson	4	4
2	Mr. Anant Talaulicar, Member	4	4
3	Mr. B V R Subbu, Member	4	4

Corporate Governance (Contd.)

B. NOMINATION AND REMUNERATION (HR) COMMITTEE

Composition

The Nomination and Remuneration (HR) Committee consists of four Independent Directors and one Non-executive Director. The Company Secretary is the Secretary to the Committee. During the year under review, Mr. Srinath Batni was appointed as member with effect from October 30, 2023. Mr. Anant Talaulicar continue as the Chairman of the Committee. Prof. Alberto Sangiovanni Vincentelli, Mr. S. B. (Ravi) Pandit, Prof. Rajiv Lal continue as other members of the Nomination and Remuneration (HR) Committee.

Role and objectives

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
    c. considers the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of Board of Directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
6. decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the Board all remuneration in whatever form payable to senior management.
8. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
9. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Meetings

During FY 2023-24, the Nomination and Remuneration (HR) Committee met Four times i.e., on April 25, 2023, July 24, 2023, October 27, 2023, and January 29, 2024. The details of meetings and attendance are given in Table 5.

Table 5: Nomination and Remuneration (HR) Committee - meetings and attendance.

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar, Chairman	4	4
2	Prof. Alberto Luigi Sangiovanni Vincentelli, Member	4	2
3	Mr. S. B. (Ravi) Pandit, Member	4	4
4	Prof. Rajiv Lal, Member	4	4
5	Mr. Srinath Batni, Member (w.e.f. October 30, 2023)	1	1

Corporate Governance (Contd.)

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholders Relationship Committee consists of one Independent Director and two Executive Directors to look into shareholder related matters. The Company Secretary is the Secretary to the Committee. During the year under review, Mr. Anup Sable was appointed as a member and Mr. Sachin Tikekar was relived as a member with effect from October 30, 2023. Mr. B V R Subbu continues as the Chairman of the Committee. Mr. Kishor Patil continues as other member of the Committee. The details of complaints received, solved and pending from the shareholders / investors are given in this Annual Report. The Company has a dedicated e-mail address: grievances@kpit.com for communicating shareholders' grievances.

Role and objectives

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

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

Meetings

During FY 2023-24, the Stakeholders Relationship Committee met two times i.e., on July 23, 2023, and January 29, 2024. The details of meetings and attendance are given in Table 6.

Table 6: Stakeholders Relationship Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. B V R Subbu, Chairman	2	2
2	Mr. Kishor Patil, Member	2	2
3	Mr. Sachin Tikekar, Member (Upto October 30, 2023)	1	1
4	Mr. Anup Sable, Member (w.e.f. October 30, 2023)	1	1

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition

The Corporate Social Responsibility (CSR) Committee consists of three directors including one Independent Director to oversee the discharge of Corporate Social Responsibility obligations, as required by Section 135 of the Companies Act, 2013 and the relevant rules. The Company Secretary is the Secretary to the Committee. During the year under review, Mr. Sachin Tikekar was appointed as a member and Mr. Anup Sable was relived as a member with effect from October 30, 2023. Mr. Anant Talaulicar and Mr. S. B. (Ravi) Pandit continue as a chairman and member of the Committee respectively.

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.

Corporate Governance (Contd.)

Meetings

During FY 2023-24, the Corporate Social Responsibility (CSR) Committee met two times i.e., on April 25, 2023, and October 26, 2023. The details of meetings and attendance are given in Table 7.

Table 7: Corporate Social Responsibility (CSR) Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar, Chairman	2	2
2	Mr. S. B. (Ravi) Pandit, Member	2	2
3	Mr. Anup Sable, Member (upto October 30, 2023)	2	2

E. ENTERPRISE RISK MANAGEMENT COMMITTEE

Composition

The Enterprise Risk Management Committee consists of three Independent Directors, one Non-executive Director and one Executive Director. The Company Secretary is the Secretary to the Committee. During the year under review, Mr. Srinath Batni was inducted as a member of the committee with effect from October 30, 2023. Further, Mr. Chinmay Pandit has been appointed as Chief Risk Officer with effect from April 29, 2024. Mr. S. B. (Ravi) Pandit is Chairman of the committee. Ms. Bhavna Doshi, Mr. Anant Talaulicar, Mr. B V R Subbu and Mr. Chinmay Pandit continue as other members of the Committee. The Company has an integrated approach to manage the risks inherent in the various aspects of business. As a part of this approach, the Company's Board is responsible for monitoring risk levels according to various parameters and ensuring implementation of mitigation measures, if required.

Role and objectives

1. To formulate a detailed risk management policy of the Company as per the statutory requirements as amended from time to time.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Meetings

During FY 2023-24, the Enterprise Risk Management Committee met four times i.e., on April 25, 2023, June 30, 2023, October 27, 2023, and March 1, 2024. The details of meetings and attendance are given in Table 8.

Table 8: Enterprise Risk Management Committee – meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. S. B. (Ravi) Pandit, Chairman	4	4
2	Mr. B V R Subbu, Member	4	4
3	Mr. Anant Talaulicar, Member	4	4
4	Ms. Bhavna Doshi, Member	4	4
5	Mr. Chinmay Pandit, Member	4	4
6	Mr. Srinath Batni, Member (w.e.f. October 30, 2023)	1	1

III. SUBSIDIARY COMPANIES

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

Corporate Governance (Contd.)

- Major dealings of subsidiaries' investment, fixed assets, loans, etc.;
- Statement of all significant transactions and arrangements;
- Compliances by subsidiaries with all applicable laws of that country.

KPIT Technologies Inc. (KPIT USA), KPIT Technologies (UK) Limited (KPIT UK), KPIT Technologies GK (KPIT Japan), KPIT Technologies GmbH (KPIT Germany), MicroFuzzy Industrie-Elektronic GmbH (MicroFuzzy Germany), Technica Engineering GmbH (Technica Germany), are Material Subsidiaries of the Company for FY 2023-24.

The Company has formulated Material Subsidiary Policy and the same has been uploaded on the Company's website (https://www.kpit.com/investors/policies-reports-filings/).

KPIT USA was incorporated on April 03, 2018, in the State of Delaware, USA. KPIT USA is not required to appoint an Auditor to audit its financials as per local laws. However, for consolidation purposes, the financials of the said entity are audited by M/s BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W – 100022).

Further, KPIT UK was incorporated on October 17, 1996, in United Kingdom. KPIT UK has appointed M/s. Menzies LLP as Statutory Auditor on February 27, 2024, to audit its financials as per local laws.

KPIT Japan was incorporated on April 02, 2018, in Japan. KPIT Japan has appointed M/s Mazars Audit LLC as statutory auditor on November 01, 2023, to audit its financials as per local laws.

KPIT Germany was incorporated on December 12, 2005, in Germany. KPIT Germany has appointed M/s TAP Dr. Schlumberger Krämer & Partner mbB as Statutory Auditor on February 02, 2024, to audit its financials as per local laws.

MicroFuzzy Germany was incorporated on November 30, 2016, in Germany. KPIT Germany has appointed M/s TAP Dr. Schlumberger Krämer & Partner mbB as Statutory Auditor on February 02, 2024, to audit its financials as per local laws.

Technica Germany was incorporated on January 02, 2008, in Germany. KPIT Germany has appointed M/s TAP Dr. Schlumberger Krämer & Partner mbB as Statutory Auditor on February 26, 2024, to audit its financials as per local laws.

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/). The Company has complied with the provisions of Regulation 24 of SEBI LODR Regulations, 2015 in respect of the Material Subsidiaries.

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 Audit Committee 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, 2024. Details of all material transactions with related parties have been disclosed quarterly to the stock exchanges along with the compliance report on corporate governance.

The Company has in place the policy for Determination of Materiality of Events of Information which are required to be disclosed to stock exchanges is available at (https://www.kpit.com/investors/policies-reports-filings/).

B. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has adopted the prescribed accounting standards i.e., Indian Accounting Standards (Ind AS), for preparation of financial statements during the year.

C. REMUNERATION OF AUDITORS

M/s BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W – 100022) have been reappointed as the Statutory Auditors of the Company to hold office for second term of 5 consecutive years from the conclusion of the 6th AGM held in the year 2023 till the conclusion of the 11th AGM to be held in the year 2028. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

(Rs. In million)

Sr. No.	Particulars	Amount
1	Audit fees	7.84
2	Limited review of quarterly results	2.10
3	Fees for other services	0.95
4	Out of pocket expenses reimbursed	0.47
	Total	**11.36**

D. REMUNERATION OF DIRECTORS

Within the limits prescribed under the Companies Act, 2013, and approved by shareholders in the Annual General Meeting held on August 25, 2021, as recommended by Nomination and Remuneration (HR)

Corporate Governance (Contd.)

Committee, the Board of Directors has approved the remuneration payable to Executive and Non-Executive Directors for the FY 2023-24.

The details of remuneration paid to the Executive Directors of the Company are given in Table 9 below:

Table 9: Remuneration paid to Executive Directors in FY 2023-24.

(Amount in ₹ million)

Name of Director / Remuneration Details	Mr. Kishor Patil CEO & Managing Director	Mr. Sachin Tikekar# President & Joint Managing Director	Mr. Chinmay Pandit# Whole-time Director	Mr. Anup Sable CTO & Whole-time Director
Salary	24.01	23.42	27.13	9.29
PF	2.85	2.06	0.50	0.42
Leave Encashment	-	-	-	-
Variable Performance Incentive	38.94	33.71	9.02	3.83
Perquisites	0.02	0.53	0.53	0.02
Bonus	-	-	8.28	2.88
Notice Period	6 months	6 months	6 months	6 months
Severance fees	Notice Pay	Notice Pay	Notice Pay	Notice Pay
Total	**65.82**	**59.72**	**45.46**	**16.44**

includes remuneration in USD (equivalent in INR) received from KPIT Technologies Inc. USA, wholly owned subsidiary of the Company.

Note: Managerial remuneration excludes provision for gratuity, as a 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, members of the Company at their Annual General Meeting held on August 25, 2021, have approved by way of a special resolution:

1. Overall maximum managerial remuneration limit payable to its directors, including managing director, whole-time director, and manager, if any, in respect of any financial year from 11% to 17% of the net profits of the Company, computed in the manner as laid down in section 198 of the Companies Act, 2013.
2. The limit of 5% or 10% (as applicable), as stipulated in section 197(1)(i) of the Companies Act, 2013, payable to any one or more managing directors or whole-time directors of the Company in any financial year to 8% or 15% respectively of the net profits of the Company, computed in the manner laid down in section 198 of the Companies Act, 2013 and in excess of limit under regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The limit of 1%, as stipulated in clause (ii)(A) of the first proviso to section 197(1) of the Companies Act, 2013, payable to Non-executive Directors of the Company in any financial year to 2% of the net profits of the Company, computed in the manner laid down in section 198 of the Companies Act, 2013.

The Board of Directors of the Company has approved a commission of ₹ 44.39 million (previous year ₹ 36.46 million) to the Non-executive Directors of the Company for the financial year 2023-24. There is no other remuneration to the Non-executive Independent Directors, except the Commission. The details of remuneration to the Non-executive Independent Directors for the financial year 2023-24 are given in Table 10.

Corporate Governance (Contd.)

Table 10: Remuneration to Non-Executive Independent Directors

(Amount in ₹ million)

Name of Director	Commission	Sitting fees
Mr. S. B. (Ravi) Pandit	14.60	0.55
Mr. Anant Talaulicar	7.69	0.59
Mr. B V R Subbu	4.21	0.43
Prof. Alberto Sangiovanni Vincentelli	5.51	0.20
Dr. Nickhil Jakatdar	1.87	0.09
Ms. Bhavna Doshi	4.57	0.41
Prof. Rajiv Lal	4.45	0.25
Mr. Srinath Batni	1.49	0.16
TOTAL	**44.39**	**2.68**

Basis for remuneration to Non-Executive Directors

Remuneration	Board Chairman	Board member	Committee Chairperson	Committee member
Sitting Fees	₹ 48,000/- per meeting	₹ 30,000/- per meeting	₹ 40,000/- per meeting	₹ 25,000/- per meeting
Commission	The total amount of commission to the Non-executive Directors for FY 2023-24 is ₹ 44.39 million. This is distributed among the Non-executive Directors on the basis of their chairmanship / membership of Board committees, duration of their directorship during the year and their general contribution to the Company outside board / committee meetings.			

E. MANAGEMENT DISCUSSION & ANALYSIS

During the year, there were no material financial and commercial transactions made by the management, where they had personal interests conflicting with the interest of the Company at large. A detailed Management Discussion and Analysis is given as a separate section in this Annual Report.

F. LEGAL COMPLIANCE REPORTING

The Company is constantly striving to strengthen and update the reporting system to take care of the continuously evolving compliance scenario. 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 Company has in place a compliance tool which provides automated Statutory Compliance Report from various functions on PAN India basis for compliance with laws applicable to the respective function. The consolidated report by the CFO and the Company Secretary is presented on a quarterly basis before the Board of Directors of the Company which reviews the same on a quarterly basis in its Board Meetings.

G. RECONCILIATION OF SHARE CAPITAL

As stipulated by the Securities and Exchange Board of India (SEBI), a Practicing Company Secretary carries out the audit of Reconciliation of Share Capital and provides a report to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This reconciliation is carried out every quarter and the report thereon submitted to the stock exchanges and also placed before the Board. The Audit, inter-alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

H. SENIOR MANAGEMENT

During the year under review, Dr. Gabriel Seiberth has been appointed as Senior Management Personnel w.e.f. November 02, 2023. Further, Mr. Rohan Sohoni and Mr. Shashwat Mitra has been appointed as Senior Management Personnel and Mr. Rajesh Kumar Singh ceased to be Senior Management Personnel w.e.f. January 01, 2024, respectively. Mr. Rajesh Janwadkar, Mr. Pankaj Sathe, Mr. Pushpahas Joshi, Ms. Priyamvada Hardikar, Mr. Mohit Kochar, and Ms. Nida Deshpande continue as Senior Management Personnel.

Corporate Governance (Contd.)

I. DISCLOSURE BY COMPANY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED.

During the year under review, the Company and its subsidiaries had not provided loan or / and advances in nature of loan to any of the Firms/Company(ies) in which the Directors are interested.

J. DISCLOSURE OF AGREEMENTS BINDING ON COMPANY.

During the year under review, there are no agreements as referred to in clause 5A of para A of part A of schedule III binding on Company whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

K. SHAREHOLDERS

1. Disclosure regarding appointment or reappointment of Directors

According to the provisions of the Companies Act, 2013, Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar retires at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for reappointment. The Board has recommended their reappointment. A brief profile of Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar is provided in the 'Additional Shareholders Information' section in this Annual Report.

2. Communication to Shareholders

The Company's quarter and year-end financial results as on March 31, 2024, investor updates and other investor related information are posted on the Company's website (www.kpit.com). The financial results relating to the quarter and year ended March 31, 2024, of the Company were published in Financial Express, and Loksatta. Financial results and all material information are also regularly provided to the Stock Exchanges as per the requirements of the SEBI (LODR) Regulations, 2015. The presentations made to analysts and others are also posted on the Company's website. Company has taken an initiative where the Shareholders are sent a communication after the announcement of quarterly financial results are made to the Stock Exchanges.

The details of correspondence received from the shareholders / investors during the period April 01, 2023, to March 31, 2024, are given in the 'Additional Shareholders Information' section in this Annual Report.

3. General body meetings

Table 11: Details in respect of the last three Annual General Meeting (AGM) of the Company.

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
August 25, 2021 (2020-21)	through Video conference (VC) / Other Audio-Visual Means (OAVM)	10.30 A.M.	1. To approve the increase in overall maximum managerial remuneration limits payable under the provisions of Section 197 of the Companies Act, 2013 & Regulation 17 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 2. To approve the continuation of Prof. Alberto Sangiovanni Vincentelli as Independent Director of the Company who is attaining 75 years of age during his current term of appointment.

Corporate Governance (Contd.)

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
August 24, 2022 (2021-22)	through Video conference (VC) / Other Audio-Visual Means (OAVM)	10.30 A.M.	1. To appoint Ms. Bhavna Doshi (DIN: 00400508) as Independent Director of the Company for a period of five years with effect from September 15, 2021. 2. To appoint Prof. Rajiv Lal (DIN: 09360601) as Independent Director of the Company for a period of five years with effect from November 1, 2021. 3. To approve the 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") 4. To approve grant of restricted stock units to the employees of subsidiary company(ies) of the Company under 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 5. To approve grant of restricted stock units to the employees of group company(ies) including associate company(ies) of the Company under 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 6. To approve secondary acquisition of shares through Trust route for the implementation of 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 7. To approve provision of money by the Company for subscription/ acquisition of its own shares by the Trust under the 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") 8. To approve amendments in 'KPIT Technologies Limited – Employee Stock Option Scheme 2019A' ("ESOS 2019A"). 9. To approve grant of employee stock options to the employees of subsidiary company(ies) of the Company under "KPIT Technologies Limited – Employee Stock Option Scheme 2019A" ("ESOS 2019A").
August 29, 2023 (2022-23)	through Video conference (VC) / Other Audio-Visual Means (OAVM)	03.00 P.M.	1. To reappoint Mr. Anant Talaulicar (DIN: 00031051), as an Independent Director of the Company for a second term of five years with effect from January 16, 2024. 2. To reappoint Prof. Alberto Luigi Sangiovanni Vincentelli (DIN: 05260121), as an Independent Director of the Company for a second term of three years with effect from January 16, 2024. 3. To reappoint Mr. B V R Subbu (DIN: 00289721), as an Independent Director of the Company for a second term of two years with effect from January 16, 2024. 4. To appoint Mr. Srinath Batni (DIN: 00041394), as an Independent Director of the Company for a period of five years with effect from July 25, 2023.

Corporate Governance (Contd.)

4. Special Resolutions through Postal Ballot - NA
5. The details of Investors'/Shareholders' Grievance Committee are given in 'Additional Shareholders Information' section in this Report.
6. The details of Share transfer system are given in 'Additional Shareholders Information' section in this Annual Report.
7. There are no relationships between the Directors of the Company, inter-se except Mr. Chinmay Pandit, Whole-time Director who is related to Mr. S. B. (Ravi) Pandit, Chairman of the Board.

V. DIVIDEND DISTRIBUTION POLICY

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

VI. CEO AND CFO CERTIFICATION

As required by Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the CEO and CFO certificate to the Company's Board is annexed to this Report.

VII. CERTIFICATE ON CORPORATE GOVERNANCE

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

Further, during the year under review, there have been no penalties, strictures imposed on the Company by the stock exchanges and other statutory authorities, on any matter relating to capital markets.

Lastly, the Company has also made the necessary disclosures as required in sub-para (2) to (10) of Part C of Schedule V of the SEBI (LODR) Regulations, 2015.

VIII. COMPLIANCE WITH MANDATORY REQUIREMENTS

There were no non-compliances by the Company, no penalties and strictures were imposed on the Company by Stock Exchanges, SEBI, or any statutory authority, on any matter related to the capital markets, during the year from April 01, 2023, to March 31, 2024.

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

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

1. The Company has appointed different persons for the post of Chairman and Managing Director/Chief Executive Officer.
2. The Company prepares quarterly investor updates which cover operational details apart from financial details which are uploaded on the website of the Company and stock exchanges. Copies of the same are being provided on request.
3. The Internal Auditor presents the internal audit report to the Audit Committee.

Training of Board members

During the year, the Board members were provided with a deep and thorough insight into 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 them and also ask related questions. Efforts are also made to acquaint and train the Board members about the emerging trends in the industry by inviting Internal and external speakers.

Business Responsibility and Sustainability Report

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015, read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, read with SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023. & SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 July 12, 2023, the Company has prepared a Business Responsibility & Sustainability Report giving detailed information of the Company's efforts towards managing sustainable growth, initiatives taken from an environmental, social and governance perspective which forms part of this annual report.

Secretarial Standards issued by the Institute of Company Secretaries of India

The Institute of Company Secretaries of India ('ICSI'), one of the premier professional bodies in India, has issued 10 Secretarial Standards. Out of which 2 Secretarial Standards have been made mandatory and 2 Secretarial standards are recommendatory as per the provisions of the Companies Act, 2013. The Company adheres to these standards.

Declaration of the Chief Executive Officer & Managing Director

This is to certify that the Company has laid down code of conduct for all the Board members and senior management personnel of the Company and the same is uploaded on the website of the Company www.kpit.com.

Further, it is certified that the members of the Board of Directors and Senior Management Personnel have affirmed the compliance with the code applicable to them during the year ended March 31, 2024.

Pune
April 29, 2024

Kishor Patil
CEO & Managing Director

Corporate Governance (Contd.)

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE MEMBERS OF KPIT TECHNOLOGIES LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated October 05, 2023, and addendum to the engagement letter April 12, 2024.

2. We have examined the compliance of conditions of Corporate Governance by KPIT Technologies Limited ("the Company"), for the year ended 31st March 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2024.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Swapnil Dakshindas
Partner
Membership No: 113896
UDIN: 24113896BKFIFS3806

Place: Pune
Date: April 29, 2024

Corporate Governance (Contd.)

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, **Kishor Patil, CEO & Managing Director** and **Priyamvada Hardikar, Chief Financial Officer** of KPIT Technologies Limited ("the Company") to the best of our knowledge and belief, certify that: -

A. We have reviewed financial statements (consolidated and standalone) for the year April 1, 2023, to March 31, 2024, and to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year i.e., April 1, 2023, to March 31, 2024, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee: -

   (1) significant changes in internal control over financial reporting during the year i.e., April 1, 2023, to March 31, 2024.

   (2) significant changes in accounting policies during the year and 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**	**Priyamvada Hardikar**
April 29, 2024	CEO & Managing Director	Chief Financial Officer

Corporate Governance (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V PARA C CLAUSE (10)(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KPIT Technologies Limited (CIN-L74999PN2018PLC174192) and having registered office at Plot No 17, Rajiv Gandhi Infotech Park, MIDC SEZ, Phase-III, Maan, Taluka- Mulshi, Hinjawadi, Pune-411057, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2024, 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	16 January 2024
3	Mr. Sachin D. Tikekar	02918460	16 January 2024
4	Mr. Anant Jaivant Talaulicar	00031051	16 January 2024
5	Mr. Subbu Venkata Rama Behara	00289721	16 January 2024
6	Prof. Alberto Luigi Sangiovanni Vincentelli	05260121	16 January 2024
7	Ms. Bhavna Doshi	00400508	15 September 2021
8	Prof. Rajiv Lal	09360601	01 November 2021
9	Mr. Anup Sable	00940115	22 December 2021
10	Mr. Chinmay Shashishekhar Pandit	07109290	26 July 2022
11	Mr. Srinath Batni	00041394	25 July 2023

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.

Dr. K R Chandratre

FCS No. 1370, C P No: 5144
UDIN: F001370F000265227
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: April 29, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

KPIT Technologies Limited ("the Company"), is a leading independent software development and integration partner supporting mobility transition towards a clean, smart, and safe future. With 13,000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, the Company accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Brazil, Japan, China, Thailand and India, the Company works with leaders in automotive and mobility and is at the heart of the ecosystem transformation.

SECTION A: GENERAL DISCLOSURES

This is KPIT's second edition of the Business Responsibility & Sustainability Report ("BRSR") for the financial year ended, March 31, 2024. This report is prepared in accordance with the National Guidelines on Responsible Business Conduct ("NGRBC"). KPIT has accommodated all pertinent financial and non-financial including Environment, Social, and Governance (ESG) disclosures as mandated by SEBI.

KPIT has aligned its business activities with United Nations Sustainable Development Goals ("UNSDGs") through the National Guidelines on Responsible Business Conduct ("NGRBC") principles. The Company has mapped relevant UNSDGs which are closely linked to its business activities through which KPIT strives to contribute to global sustainable development.

To promote shared value creation through sustainable growth, this report provides a thorough disclosure of the Company's initiatives and performance around business, environmental, social, and governance aspects. The Report continues to strengthen KPIT's sustainability disclosures with strategic methods to manage external environmental risks and generate value for its stakeholders.

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of Company	L74999PN2018PLC174192
2.	Name of the Company	KPIT Technologies Limited
3.	Year of incorporation	2018
4.	Registered office address	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune - 411057.
5.	Corporate Address	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune - 411057.
6.	E-mail	grievances@kpit.com
7.	Telephone	+91 20 6770 6000
8.	Website	www.kpit.com
9.	Financial year for which reporting is being done	FY 2023-24 (1st April 2023 -31st March 2024)
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital	₹ 274.143 Crores
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Sachin Tikekar President & Joint Managing Director Ms. Manasi Patil Director - Human Resources Ms. Nida Deshpande Company Secretary & Compliance Officer +91 20 6770 6000 grievances@kpit.com

Business Responsibility & Sustainability Report (Contd.)

13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a Standalone basis.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of the Main Activity	Description of the Business Activity	% of turnover the entity
1	Professional, Scientific, and Technical	Architecture, engineering activities, technical testing, and analysis activities	96.71%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Architectural and engineering activities and related technical consultancy	711	96.71%
2	Technical testing and analysis	712	

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	-	9	9
International	-	28	28

*KPIT has nine offices in India across four cities viz Kochi, Pune, Bengaluru, and Chennai. In FY24, two offices have been added in Kochi and Indiranagar (Bengaluru).

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	Pan India
International (No. of countries)	13

KPIT is serving clients across India, through offices in Pune, Bengaluru, Kochi, Chennai.

KPIT is serving clients across 13 countries – the USA, Brazil, Germany, France, United Kingdom, Spain, Tunisia, Egypt, Thailand, Japan, South Korea, China, and Vietnam.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

93%

c. A brief on types of customers:

KPIT Technologies, a leading independent software development and integration partner to global automotive and mobility ecosystem for making software-defined vehicles a reality. KPIT's clients includes leading mobility and automakers across the globe like Original Equipment Manufacturers (OEMs), suppliers, and ecosystem players. KPIT partners with auto giants through technology solutions and services across domains like Electric

Business Responsibility & Sustainability Report (Contd.)

and Conventional Powertrain, ADAS & Autonomous Driving, Digital and Connected Vehicles, Vehicle Networks, AUTOSAR & Middleware, New-age Vehicle Engineering and Design, and Vehicle Diagnostics Aftersales. With 13000+ 'Automobelievers' across the globe specializing in embedded software, AI, and digital solutions, KPIT accelerates its clients' implementation of next-generation technologies for a cleaner future in mobility.

IV. Employees

20. Details as at the end of Financial Year:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
a.	**Employees and workers (including differently-abled):**					
Employees						
1.	Permanent (D)	8,782	6,000	68%	2,782	32%
2.	Other than permanent (E)	198	144	73%	54	27%
3.	**Total employees (D + E)**	**8,980**	**6,144**	**68%**	**2,836**	**32%**
Workers						
4.	Permanent (F)	-	-	0%	-	0%
5.	Other than permanent (G)	179	148	83%	31	17%
6.	**Total workers (F + G)**	**179**	**148**	**83%**	**31**	**17%**

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
b.	**Differently abled employees and workers:**					
Differently abled employees						
1.	Permanent (D)	-	-	0%	-	0%
2.	Other than permanent (E)	-	-	0%	-	0%
3.	**Total employees (D + E)**	**-**	**-**	**0%**	**-**	**0%**
Differently abled workers						
4.	Permanent (F)	-	-	0%	-	0%
5.	Other than permanent (G)	-	-	0%	-	0%
6.	**Total employees (F + G)**	**-**	**-**	**0%**	**-**	**0%**

21. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B / A)
Board of Directors	11	1	9%
Key Management Personnel	3	2	67%

* MD & CEO is both BoD & KMP and hence considered in both categories.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employee	25%	21%	24%	30%	23%	28%	31%	27%	30%
Permanent worker	Not applicable as KPIT does not have any permanent workers.								

Business Responsibility & Sustainability Report (Contd.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23.(a)Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holdings/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	KPIT Technologies (UK) Limited	Subsidiary	100%	No
2	KPIT Technologies Netherlands B. V.	Subsidiary	100%	No
3	KPIT Technologies Holding Inc.	Subsidiary	100%	No
4	KPIT Technologias Ltda	Subsidiary (refer note (i) below)	100%	No
5	KPIT (Shanghai) Software Technology Co. Limited	Subsidiary	100%	No
6	KPIT Technologies GK	Subsidiary	100%	No
7	KPIT Technologies GmbH.	Subsidiary of KPIT Technologies (UK) Limited (refer note (ii) below)	100%	No
8	KPIT Tech (Thailand) Co., Limited (earlier ThaiGerTec Co., Limited)	Subsidiary of KPIT Technologies (UK) Limited (refer note (iii) below)	100%	No
9	MicroFuzzy Industrie-Elektronic GmbH	Wholly owned subsidiary of KPIT Technologies GmbH	100%	No
10	KPIT Technologies Inc.	Wholly owned subsidiary of KPIT Technologies Holding Inc.	100%	No
11	PathPartner Technology Private Limited	Subsidiary	80%	No
12	PathPartner Technology Inc. (USA)	Wholly owned Subsidiary of PathPartner Technology Private Limited	80%	No
13	PathPartner Technology GmbH	Wholly owned Subsidiary of PathPartner Technology Private Limited	80%	No

Business Responsibility & Sustainability Report (Contd.)

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holdings/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
14	FMS Future Mobility Solutions GmbH	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	No
15	SOMIT Solutions Limited	Wholly owned Subsidiary of KPIT Technologies (UK) Limited	100%	No
16	SOMIT Solutions Inc.	Wholly owned Subsidiary of SOMIT Solutions Limited	100%	No
17	Technica Engineering Inc.	Wholly owned Subsidiary of KPIT Technologies Inc.	100%	No
18	Technica Engineering GmbH	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	No
19	Technica Electronics Barcelona S.L.	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	No
20	Technica Engineering Spain S.L.	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	No
21	KPIT Technologies S.A.S.	Wholly owned Subsidiary of KPIT Technologies Netherlands B. V.	100%	No
22	Qorix GmbH	Subsidiary	100%	No
23	N- Dream AG	Associate	13%	No

(i) 99.99% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA.

(ii) 72.73% owned by KPIT Technologies (UK) Limited and 27.27% owned by KPIT Technologies Limited, India.

(iii) 98.31% owned by KPIT Technologies (UK) Limited, 0.06% owned by KPIT Technologies Limited, India and 1.63% owned by KPIT Technologies GmbH, Germany.

VI. CSR details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes

(ii) Turnover (in ₹) - 20,166.02 million

(iii) Net worth (in ₹) - 16,020.45 million

VII. Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes, Shareholders may register their grievances through Smart Online Dispute Resolution Portal link (Smart ODR Portal).	1	-	All the complaints registered on the exchange were resolved.	-	-	Not Applicable
Communities	*	-	-	Not Applicable	-	-	Not Applicable
Investors (other than shareholders)	Yes, Investors may register their grievances through Smart Online Dispute Resolution Portal link (Smart ODR Portal).	-	-	Not Applicable	-	-	Not Applicable
Customers **	Yes, Grievances are addressed at project level (more information provided in principle 9)	-	-	Not Applicable	-	-	Not Applicable

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, KPIT has an ASSIST Portal to support and redress any grievances from employees. Link to ASSIST Portal is available on Intranet of the Company Further, the Company also encourages open discussion with its employees and workers to report on incidents and grievances with Business unit HR. In addition, KPIT has POSH committee for the Prevention of Sexual Harassment (POSH) to take care of relevant cases.	11	2	These complaints are in process of resolution	9	-	Not Applicable
Value Chain Partners **	Yes, KPIT has developed a Supplier Code of Conduct as a guidance on supplier management. Suppliers and their employees can report their concern by writing to the Company. KPIT ensures timely resolution of queries and grievances.	-	-	Not Applicable	-	-	Not Applicable

* The Company regularly engages with local communities through its CSR activities.

** The Company has received business queries from customers and value chain partners which were resolved on time and are not categorized under grievances.

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
1	Energy & Emission Management	Opportunity	KPIT recognizes that energy consumption from computer systems, servers, air conditioning, and utilities contributes to carbon emissions. By transitioning to renewable energy sources and investing in energy-efficient technologies, KPIT mitigates operational risks associated with carbon-intensive energy use, such as regulatory compliance and escalating energy costs. KPIT's focus on energy and emission optimization presents opportunities to substantially reduce our carbon footprint. By implementing initiatives aimed at energy efficiency, such as installing efficient systems and leveraging renewable energy solutions, the Company has achieved a reduction in energy consumption. This not only aligns with environmental sustainability but also enhances competitiveness in an increasingly carbon-conscious market.	Not Applicable	Positive Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
2	Eco-Efficient Water and Waste Management	Risk	Water scarcity can directly impair operations by limiting access to essential water resources needed for cooling systems, facility maintenance, and other operational processes. This limitation can disrupt daily activities and impact productivity. Water scarcity can also affect supply chain, particularly if suppliers or partners operate in regions facing water stress. This can lead to delays or shortages in critical supplies and services needed for operations.	KPIT has implemented a comprehensive water management program to address water scarcity risks: **Wastewater Treatment and Reuse:** A sewage treatment plant enables 80% of used water to be reused for flushing and gardening purposes. **Water Conservation Measures:** Drip irrigation systems in gardens, optimized water line pressure, and prompt leak repair minimize freshwater consumption. **Rainwater Harvesting:** A terrace water collection system and a dedicated Water Bund (Shet Tale) capture rainwater for gardening, replenish groundwater and reduce reliance on freshwater sources. **Waste Management:** Due to the nature of the business, KPIT generates limited waste that includes biodegradable waste, municipal solid waste, e-waste, and hazardous waste. To comply with regulations and reduce environmental impact, KPIT strives to reduce the generation and segregate the waste at source.	Negative Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
3	Climate Change	Opportunity	Addressing climate change presents opportunities for KPIT to innovate and develop sustainable technologies and solutions. By proactively adapting to climate-related challenges, KPIT can position itself as a leading player in environmentally conscious IT product/service provider.	Demonstrating environmental stewardship can attract clients, partners, and investors who prioritize sustainability. Transitioning to low-emission energy sources, operating from energy-efficient green buildings, and using low-carbon fuel transport not only reduce emissions but also yields monetary savings through lower energy costs and operational efficiencies.	Positive Impact
		Risk	Climate change presents policy risks as regulatory authorities increasingly require businesses to disclose and commit to emissions reduction targets. Non-compliance with evolving regulations may result in penalties and hinder KPIT's growth and profitability. Extreme weather events like water scarcity or heavy rainfall pose physical risks to KPIT's business operations and employee safety, impacting productivity and operational continuity.	**Business Continuity Planning:** The Company establishes business continuity and crisis management plans to ensure preparedness for climate-related disruptions. Committing to reduced emissions and environmentally responsible practices enhances KPIT's brand image and reputation.	Negative Impact
4	Sustainable Procurement	Opportunity	Embracing sustainable procurement presents opportunities for innovation, efficiency gains, and market differentiation.	KPIT not only reduces potential risks associated with unsustainable practices in the supply chain but also leverages procurement as an opportunity to drive positive change, sustainably.	Positive Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
		Risk	Sustainable supply chain practices help mitigate ESG-related risks that can disrupt business continuity. Issues such as supply chain disruptions due to environmental disasters, labor violations, or resource scarcity can significantly impact operations. Proactive assessment and management of these risks through sustainable procurement practices can enhance resilience and reduce vulnerabilities.	KPIT's comprehensive Vendor Code of Conduct encompasses Environmental, Health & Safety, and Human Rights parameters. Suppliers and supply chain partners are required to sign and adhere to Vendor Code of Conduct as a part of contractual agreements.	Negative Impact
5	Talent Attraction & Retention	Opportunity	Addressing talent challenges presents an opportunity to KPIT to align the work culture with global trends in digital transformation. By embracing technological advancements, employee loyalty, productivity, and positioning as an employer of choice in the digital era can be enhanced.	KPIT has a Talent Acquisition Group (TAG) that is responsible for hiring the most suitable candidates to provide the best products and services to clients across the industry.	Positive Impact

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Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
		Risk	Meeting the growing demand for skilled talent poses a significant challenge, especially amidst global shifts towards digital adoption. The imbalance in skilled employees can hinder KPIT's ability to scale operations and deliver innovative solutions, impacting competitiveness and growth.	KPIT is committed to developing the workplace of the future; one that values equality, promotes a culture of transparency and collaboration, and implements an extensive training initiative tailored to each employee's individual development needs. Investing in hiring talent from local communities not only improves retention rates but also signals commitment to community engagement and development. This approach builds goodwill and strengthens the talent pipeline over time, reducing dependency on external recruitment sources. KPIT participates in several competency development and ongoing education programs for the benefit of the staff members.	Negative Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
6	Employee Wellbeing	Opportunity	Prioritizing employee wellness establishes a culture that supports job satisfaction and productivity. By promoting well-being, KPIT reduces job turnover, manages stress levels, and develops a positive work environment conducive to higher performance and job satisfaction among employees. This proactive approach contributes to reduced healthcare costs and ensures a healthier, more engaged workforce. A healthy, happy, and engaged workforce positively impacts customer relationships through improved service delivery and responsiveness. Ultimately, investing in employee well-being contributes to KPIT's overall profitability and business success.	Not Applicable	Positive Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
7	Cyber Security	Risk	Cybersecurity attacks can result in significant financial losses and damage to KPIT's reputation. A data breach not only impacts customers but also undermines trust and confidence of the brand. Proactive cybersecurity measures are essential to mitigate these risks and safeguard business integrity. Data privacy is paramount for maintaining competitiveness and enhancing KPIT's brand reputation.	KPIT prioritizes cybersecurity through a comprehensive program that includes: **Investment and Monitoring:** KPIT invests in cybersecurity resources and monitors for emerging threats. **Data Security Awareness:** The Company promotes data security awareness among employees. **Data Protection Policies:** KPIT regularly reviews and updates its data protection policies. **Incident Response:** Established systems and processes are in place to respond to security incidents effectively. KPIT adheres to recognized cybersecurity standards like ISO/IEC 27001. **Trusted Information Security Assessment Exchange (TISAX) Certification:** This certification demonstrates compliance with the European automotive industry's information security standards. **Board Oversight:** The KPIT Board receives regular updates on the Company's cybersecurity posture.	Negative Impact

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications
8	Customer Value	Risk	The ability to provide newer, better services and enriching experiences for client is essential for maintaining competitive advantage. Failure to deliver significant value to customers may result in reduced market share, decreased revenue, and diminished competitiveness within the industry. Focusing on customer-centric solutions and offerings is imperative to ensure customer satisfaction and client retention.	Any unrealized opportunity is considered as a risk for KPIT. To identify and capitalize the opportunities connected to sustainability, KPIT engages with its clients through Customer Satisfaction Surveys (CSAT) and considers inputs to provide an effective solution for esteemed clients. In addition, KPIT's committed staff engages with the leaders of diverse sectors and discusses how KPIT can add value for its stakeholders by leveraging its technological landscapes through criteria's such as Zero-Defect Delivery (ZDD), cost, project management, responsiveness, and other such initiatives.	Negative Impact
9	Intellectual Property (IP) Infringement	Risk	The risk of third-party IP infringement by KPIT employees, whether intentional or unintentional, poses potential legal challenges. Infringing on third-party IP rights can result in litigations, substantial penalties, and damage to KPIT's reputation. This could lead to strained business relationships and impact future collaborations and opportunities within the industry. Proactive measures are essential to mitigate these risks and ensure compliance with IP laws and regulations.	KPIT conducts training and awareness courses for its personnel and receives confidentiality undertakings from them. KPIT has developed and implemented an IP infringement policy and framework to guarantee proper access to and use of KPIT, client, partner, and third-party intellectual property while serving clients.	Negative Impact

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SECTION B: MANAGEMENT AND PROCESS

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.

Disclosure Questions			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web-link of the policies, if available	https://www.kpit.com/investors/policies-reports-filings/ *								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Policies like Code of Conduct, Supplier Code of Conduct and Vigil Mechanism and Whistle Blower are extended to KPIT's value chain partners.								
4.		Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Quality Management System (ISO 9001:2015), Business Continuity Management (ISO 22301), Information Security Management (ISO/IEC 27001).								
5.		Specific commitments, goals, and targets set by the entity with defined timelines, if any.	KPIT is committed to create a shared value with positive impact on Environment & society. Looking ahead, KPIT will embark on materiality assessment to identify the environmental & social issues relevant to its business and stakeholders. Based on the assessment, KPIT will further enhance its systems and processes to monitor and report on its Sustainability performance.								
6.		Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.									
Governance, leadership, and oversight											
7.		Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure)* "Sustainability is being integrated into every facet of our Company to substantially enhance the lives of our stakeholders such as employees, customers, suppliers, and the wider community. Our approach is to focus on sustainability, and we are actively evaluating opportunities to integrate environmental and social aspects into our business operations. During FY23-24, we have successfully developed the first India-Developed Hydrogen Fuel Cell Vessel in alliance with Cochin Shipyard to support the Government of India's clean and green fuel drive. We are committed to strive for continuous innovations to help the transition towards cleaner, smarter, and safer world of green mobility vault ahead. We extend our gratitude to our people and all our stakeholders for their constant endeavor and support."									
8.		Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies	Name: Mr. Sachin Tikekar DIN: 02918460 Designation: President & Joint Managing Director Telephone Number: +91 20 6770 6000 E-mail ID: grievances@kpit.com								
9.		Does the entity have a specified committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	In KPIT, all the sustainability aspects are overseen by the CSR Committee. Composition of CSR committee is as follows:								

Sr. No.	Name of the Director	Position held in CSR Committee
1	Mr. Anant Talaulicar	Chairman
2	Mr. S. B. (Ravi) Pandit	Member
3	Mr. Sachin Tikekar	Member

*Most of the policies in respect of the aforesaid principles have been approved by the Board. The remaining policies are internal policies, which have been approved by the concerned Department Heads. The policies which have been approved by the Board can be viewed on the website of the Company at https://www.kpit.com/investors/policies-reports-filings/and the remaining policies are internal documents and are available on intranet for all employees.

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10. Details of review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, policies of the Company are reviewed periodically or on a need basis by respective Board Committee or responsible person / group of people. During this assessment, the status of the policy, implementation is reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all statutory requirements to the extent applicable.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	KPIT evaluates working of its policies, internally.								

12. If answer to question (1) above is “No” i.e., not all principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section demonstrates KPIT’s performance in integrating the Principles and Core Elements with key processes and decisions. The disclosure material is categorized into two parts which are “Essential” and “Leadership” for each principle. While the essential indicators are mandatory to report, the leadership indicators may be voluntarily disclosed by the Company. KPIT has responded to both essential and leadership indicators showing an aspiration to progress to a higher level in its quest to be socially, environmentally, and ethically responsible.

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Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.



KPIT firmly believes that operational excellence and sustained corporate growth are based on ethics and integrity. As a responsible Company, KPIT maintains the highest standard of business conduct across operations. It has a dedicated effective governance and risk management framework in place. KPIT's Code of Conduct acts as a set of guidelines for all employees and directors, ensuring that all business operations are carried out in an ethical manner. The Company offers all employees and directors thorough training in its code of conduct and corporate policies enabling them to manage risks and protect the interests of all internal and external stakeholders involved.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	4	The Company familiarizes its Independent Directors through various programs which include, the industry in which it operates, its business strategy, the vision and values, business model, business ethics, conflict of interest, anti-bribery and anti-corruption along with other ESG related issues at regular intervals. Two sessions on strategy, vision, sustainability with micro and macro level business trends are also conducted.	100%
Key Managerial Personnel and Employees other than BoD and KMPs	6	All our employees undergo mandatory trainings on KPIT code of conduct which covers all the principles laid down in BRSR. Other than the above, domain specific trainings and awareness sessions were held during the financial year. 1) Introduction to Data Protection and Data Security Training (Legal Compliance, Safeguarding Personal Information, Cybersecurity Awareness, Data Breach Prevention, Ethical Considerations) 2) Legal Contracting Process (Contract Basics, Legal Review Process, Key Points on NDAs, Service Agreements & SOWs, License Agreements, etc., Critical Clauses, Deviations & Approvals Other considerations) 3) E learning Module for environmental and occupational health and safety 4) Desk Exercises session 5) Evacuation drill 6) E-learning models and awareness sessions on community contribution, customer focus, equal employment opportunities, Non-discrimination and harassment, Prevention of Sexual Harassment, Conflict of Interest, Anti-corruption, and Anti-Bribery.	93.25%

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2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principles	**Name of the regulatory/ agencies/ judicial institution**	**Amount (INR)**	**Brief of the Case**	**Has an appeal been preferred? (Y/N)**
Penalty/fine	Nil, there were no such instances that required disclosure based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principles	**Name of the regulatory / enforcement agencies / judicial institution**	**Brief of the Case**	**Has an appeal been preferred? (Y/N)**
Imprisonment	Nil, there were no such instances that required disclosure based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.			
Punishment				

At KPIT, all Directors, KMPs and employees work with a strong and ethical business conduct. As a result, there have been no instances of monetary / non-monetary fines / penalties / punishment / award / compounding fees / settlement amount / imprisonment / punishment imposed in proceedings with regulators / law enforcement agencies / judicial institutions in the FY 24.

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision are preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory / enforcement agencies / judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

KPIT strictly follows 'Zero Tolerance" against corruption and bribery. KPIT's Code of Conduct and Vendor Code of Conduct comprehensively addresses anti-corruption and anti-bribery measures, unequivocally asserting the Company's stance of non-tolerance towards such practices. The Company expressly prohibits all employees, directors, associates, suppliers, and third-party vendors from engaging in any form of bribery or offering anything of value to obtain or retain business for KPIT or in connection with business operations. At KPIT, integrity is at the core of everything KPIT does, and remains steadfast in commitment to ethical business practices. All the policies including code of conduct can be found here https://www.kpit.com/investors/policies-reports-filings/.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption.

	FY 2023-24 (Current Financial Year)	**FY 2022-23 (Previous Financial Year)**
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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KPIT has not observed or received any incident of disciplinary action by law enforcement agencies against KPIT's Directors, Key Management Personnels (KMPs), Employees, or Workers for charges related to bribery or corruption. This is the outcome of KPIT's strong governance system with strict policies related to anti-bribery and anti-corruption.

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of conflict of interest of the KMP's	Nil	Not Applicable	Nil	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not applicable, as there were no complaints of conflict of interest.

8. Number of days of accounts payable (Accounts payable *365)/Cost of goods/services procured) In the following format.

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of Days of account Payable	121.76	110.80

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances and investment, with related parties, in the following format:

Parameters	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of purchase *	Purchase from trading houses as % of total purchase	Not Applicable	
	Number of trading houses where purchases are made from		
	Purchases from top 10 trading houses as % of total purchase from trading houses		
Concentrations of sales *	Sales to dealers / distributors as % of total sales	Not Applicable	
	Number of dealers / distributors to whom sales are made		
	Sales to top 10 dealers / distributers as % of total sales to dealers / distributors		
Share of RPTs in	Purchases (purchases with related parties / total purchase)	3.90%	0.07%
	Sales (Sales to related parties / total sales)	91.27%	86.52%
	Loans and advances (Loans and advances with related parties / total Loans and advances)	0.00%	0.00%
	Investments (Investments to related parties / total Investments made)	95.40%	95.83%

* Considering the nature of the business of the Company, Concentration of purchases and sales is 'Not Applicable'.

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LEADERSHIP INDICATORS

1. **Awareness programs conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
2	Principle 3 and 6: Compliance requirements related to Environmental, Occupational Health, and Safety (EOHS) have been integrated into the vendor onboarding process. Training sessions and awareness programs have been conducted for third-party staffs working within KPIT premises.	100% of value chain partners were covered in Training and awareness programs to ensure compliance with EOHS standards.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.**

Yes, KPIT has a robust governance system which is guided by its Code of Conduct. Based on this Code of Conduct, all the directors and employees have a duty to avoid financial, business, or other relationships that might risk the interests of KPIT or might cause a conflict with the performance of their duties. Directors and employees should avoid conflict between their personal interests and those of KPIT Technologies.

KPIT's Code of conduct states that "if a director / employee feels that he/she has a conflict, actual or potential, the same must be reported with all pertinent details in writing to the HR Head. A conflict does not necessarily mean the proposed activity will be prohibited. The responsibility of the directors and the employees is to fully disclose all aspects of the conflict to the manager and remove oneself entirely from the decision-making process. Additionally, if a director / employee observes any situation involving another director / employee that he/she believes in good faith to be a conflict of interest, he/she must report the situation to the Head of HR. Reports from directors and employees will be handled as confidentially as possible."

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Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.



As a technology and software company, KPIT has demonstrated its commitment to sustainable business practices by deploying green software products and offerings to clients to reduce the environmental impact. The Company has also implemented an extensive Vendor Code of Conduct for all vendors to ensure sustainable procurement practices through the value chain. The vendor code of conduct covers strict supplier selection criteria relating to business integrity, labor practices, associate's health and safety, and environmental management. This initiative aims not only to minimize negative environmental impacts but also contributes to societal betterment while generating value for stakeholders. As an integral part of the Quality Management System, KPIT proudly adheres to ISO 9001:2008 standards, further reinforcing the Company's dedication to excellence and sustainability.

Essential Indicators

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100%	100%	As part of ongoing efforts at KPIT, the Company is focused on developing and deploying innovative technologies aimed at reducing environmental impact and fostering social progress. During the year, KPIT has achieved significant milestones as listed below: 1. Fuel Cell Technology: The Company has successfully delivered two commercial systems: One system was provided to the Indian Defense Ministry for high-altitude backup power applications. Another system was supplied to Cochin Shipyard, powering India's inaugural Hydrogen Fuel Cell Inland Vessel. 2. Sodium-ion Battery Technology: The Company has launched the Na-ion battery technology and currently, the Company is engaged in developing pilot projects with interested customers and is actively seeking partners to license technology for large-scale manufacturing. 3. Biomass-based Hydrogen Generation: The Company has commenced the scale-up of this technology in collaboration with an industry partner. The successful development and deployment of these technologies align with KPIT's commitment to reduce fossil fuel dependency and significantly lowering CO2 emissions. These efforts underscore the dedication to make a positive impact on the environment and contribute to societal well-being.
Capex	100%	100%	

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2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The Company has focused on integrating sustainability at each stage of business operations. KPIT has Vendor Code of Conduct as a guidance document for sustainable sourcing for overall procurement of goods and services. Vendors must adhere to the Vendor Code of Conduct which lists multiple clauses towards environmental, social, and fair business practices.

b. If yes, what percentage of inputs were sourced sustainably?

100% of the office stationery materials have been sourced from authorized suppliers in FY 2023-24. The Company has a robust vendor due diligence and assessment mechanism in place. During the vendor onboarding process, the Company ensures vendors compliance with the regulatory guidelines and laws. Only authorized vendors are engaged for the sourcing of goods and services. The Company encourages vendors to have an environment management system, health, and safety management system in place. In addition, vendors should respect human rights throughout their direct and indirect operations.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Not Applicable. KPIT is an IT product/services Company. However, the Company ensures compliance and efficient management of the waste generated on its premises. For more information, refer to Principle 6.
b. E-Waste	
c. Hazardous Waste	
d. Other Waste	

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

KPIT is an IT product/services Company and does not manufacture any product, hence the Extended Producer Responsibility (EPR) is not applicable.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of product / service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/ No) If yes, provide the web-link.
Not applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of product / service	Description of the risk/concern	Action taken
Not Applicable		

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3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or reused input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Not Applicable		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not Applicable					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category.
Not Applicable	

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Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.



KPIT endeavors to provide a safe and secure working environment for its employees, vendors, contractors, and other value chain partners by applying the highest standard of occupational health and safety. The Company has developed the Environmental, Occupational, Health and Safety Policy (EOHS) and the Vendor Code of Conduct to consistently enhance the well-being of its employees and value chain partners respectively. KPIT promotes active participation and consultation on issues with respect to EOHS among its employes and other stakeholders. The Company has also implemented measures to promote diversity, equal opportunity, and non-discrimination throughout its operations.

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	6,000	6,000	100%	6,000	100%	NA	NA	6,000	100%	6,000	100%
Female	2,782	2,782	100%	2,782	100%	2,782	100%	NA	NA	2,782	100%
Total	**8,782**	**8,782**	**100%**	**8,782**	**100%**	**2,782**	**100%**	**6,000**	**100%**	**8,782**	**100%**
Other than Permanent employees											
Male	144	-	0%	144	100%	-	0%	-	0%	-	0%
Female	54	-	0%	54	100%	-	0%	-	0%	-	0%
Total	**198**	**-**	**0%**	**198**	**100%**	**-**	**0%**	**-**	**0%**	**-**	**0%**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	Not Applicable, as KPIT has other than permanent workers only.										
Female											
Total											
Other than Permanent workers*											
Male	148	-	0%	148	100%	-	0%	-	0%	-	0%
Female	31	-	0%	31	100%	-	0%	-	0%	-	0%
Total	**179**	**-**	**0%**	**179**	**100%**	**-**	**0%**	**-**	**0%**	**-**	**0%**

*KPIT ensures that all the workers (other than permanent workers) are covered under ESIC (if applicable) as per regulatory requirements and obtains required confirmation from the third party / contractor.

Business Responsibility & Sustainability Report (Contd.)

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company.	0.31%	0.39%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Not applicable	Yes	100%	Not applicable	Yes
Gratuity	100%		Yes	100%		Yes
ESI	0%		Yes	0%		Yes
Others – please specify	-	-	-	-	-	-

KPIT's employee benefit schemes include gratuity, provident fund, and Employees' State Insurance (ESI). The employee and employer contribution to the provident fund is as prescribed under applicable laws. The benefit of ESI covers employees with salary bracket of less than 21,000 ₹/Month and rest of the employees are facilitated with medical/ health insurance.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, KPIT prioritizes accessibility for differently abled employees and workers as mandated by the Rights of Persons with Disabilities Act, 2016. The Company has implemented a range of measures to enhance accessibility, such as installing wheelchair ramps, ensuring easy elevator access, providing dedicated handicapped-accessible restrooms, and offering electric buggies for transportation from the gate to office areas. These initiatives are part of KPIT's commitment to ensuring that everyone can navigate and utilize our premises effectively, promoting inclusivity and equal opportunity.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, KPIT has a comprehensive Code of Conduct which covers commitment to equal employment opportunity. KPIT guarantees a workplace free from discrimination on the grounds of sex, sexual orientation, race, color, religious creed, veteran status, age, disability, marital status, or any other legally protected characteristics. The Company upholds this commitment through all aspects of employment, ensuring that all practices adhere to legal regulations and promote fairness and equality. KPIT takes proactive measures to safeguard the rights of individuals to file complaints, provide information, or participate in any equal employment opportunity-related activities without interference. Should any employee experience discrimination, they are encouraged to approach the Head of HR, who is entrusted with promptly addressing and resolving complaints in accordance with the commitment to fairness and equality. Refer KPIT's Code of Conduct: https://www.kpit.com/investors/policies-reports-filings/

Business Responsibility & Sustainability Report (Contd.)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	92%	Not applicable	Not applicable
Female	100%	87%		
Total	**100%**	**90%**		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No	Details of the mechanism in brief
Permanent workers	KPIT does not have any workers under the permanent worker category.	KPIT maintains a robust Code of Conduct and a Whistleblower Policy, providing clear guidelines for employees to raise grievances. KPIT prioritizes transparency and accountability, fostering an environment where employees feel empowered to speak up and report concerns without fear of reprisal. For more details refer to the following link: https://www.kpit.com/investors/policies-reports-filings/
Other than permanent workers	Yes	
Permanent employees	Yes	
Other than permanent employees	Yes	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D / C)
Total permanent employees	8,782	-	0%	7,953	-	0%
Male	6,000	-	0%	5,455	-	0%
Female	2,782	-	0%	2,498	-	0%
Total permanent workers	-	-	0%	-	-	0%
Male	-	-	0%	-	-	0%
Female	-	-	0%	-	-	0%

Business Responsibility & Sustainability Report (Contd.)

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees (Permanent employees and other than permanent employees)										
Male	6,144	6,144	100%	4,003	65%	5,615	554	10%	3,615	64%
Female	2,836	2,836	100%	1,774	63%	2,575	286	11%	1,622	63%
Total	**8,980**	**8,980**	**100%**	**5,777**	**64%**	**8,190**	**840**	**10%**	**5,237**	**64%**
Workers (Other than permanent workers)										
Male	148	148	100%	148	100%	133	104	78%	105	79%
Female	31	31	100%	31	100%	31	17	55%	19	61%
Total	**179**	**179**	**100%**	**179**	**100%**	**164**	**121**	**74%**	**124**	**76%**

The Company does not have permanent workers.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees (Permanent Employees) *						
Male	5,034	4,857	96%	3,971	3,568	90%
Female	2,325	2,185	94%	1,803	1,657	92%
Total	**7,359**	**7,042**	**96%**	**5,774**	**5,225**	**90%**
Workers (Other than permanent workers) **						
Male	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Female						
Total						

* The figure reflects the number of employees eligible for performance review for the reporting period. KPIT has standard performance and career development mechanism outlined in its Human Resource Policies which acts as a guiding document with respect to employee life cycle management and development.

** KPIT employs other than permanent workers through the contractor / third party agencies for providing various services such as housekeeping, admin support and security.

Business Responsibility & Sustainability Report (Contd.)

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, KPIT has implemented a comprehensive Occupational Health and Safety (OHS) Management System in most of the offices in India to ensure employee well-being. The OHS Management System incorporates various elements, including:

- Clear recommendations for safe work practices are included in KPIT's policies and procedures.
- The ability to detect and reduce hazards at work proactively is made possible by Hazard Identification and Risk Assessment (HIRA).
- Employee training equips employees with the right skills and relevant expertise in their jobs proactively.
- Safety measures are implemented to maintain a secure work environment.
- Providing appropriate personal protective equipment to protect workers.
- Medical Fitness Assessments support the tracking of workers' health via physical examinations.
- Being ready for emergencies enables the Company to handle potential incident-prone circumstances with efficiency.
- KPIT implemented Standard Operating Procedures (SOPs) on safety-related issues and informed the staff through various sources.
- Complied with all applicable health and safety rules as required by law.
- The Permitting System ensured that safety procedures are followed for specific tasks.
- Continuous review and improvement of the OHS Management System for enhanced employee well-being

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

KPIT is dedicated to ensuring employee safety and well-being through a comprehensive Environmental, Occupational Health and Safety (EOHS) policy and has implemented OHS management system across all its offices. HIRA is a process that the Company utilizes to systematically identify hazards at work, evaluate risks, prioritize them, implement control measures, maintain vigilant tabs on their efficacy, document conclusions and communicate to the workforce to prevent workplace accidents.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. For employees: KPIT prioritizes safety incident reporting and management to ensure all work-related incidents, including accidents, unsafe conditions, and unsafe acts. These are promptly reported and addressed with appropriate corrective actions. To facilitate transparent reporting, the Company has established the dedicated email ID 'workplacesafety@kpit.com' and implemented the ASSIST platform, enabling all KPIT employees to report incidents efficiently. KPIT's platform supports comprehensive incident investigation and corrective actions aimed at hazard elimination and incident prevention. These practices are communicated to all employees.

For workers: KPIT has procedures in place that allow workers to report concerns and safety related issues which eliminate unwarranted situations. Every reported incidence is recorded on an incident tracker sheet. Every event that has been reported is classified as either closed or open. Head of security staff oversees handling incident reports on weekly basis. Any incident that has been identified or has occurred during the week is addressed thoroughly in these reports. Furthermore, any environmental or hazardous issues are promptly reported to the management.

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d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, KPIT facilitates employees with non-occupational medical and healthcare services like doctor consultations, counselling sessions and teleconsultations. Also, KPIT understands the vital role that the employees' physical and mental well-being play in corporate success and long-term growth objectives. Hence, KPIT prioritizes a people-first approach, offering counseling and education on physical, mental, and emotional wellness to the staff. Additionally, the Company provides comprehensive benefits such as life insurance, mediclaim, and personal accident cover to the full-time employees, furthering KPIT's commitment to their overall wellness and security. KPIT believe that a healthy workforce is key to achieving the Company's goals. Also, KPIT extends health and wellbeing sessions for workers.

11. Details of safety related incidents, in the following format:

Safety incident/number	Category*	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

KPIT prioritizes the health, safety, and overall well-being of the employees, recognizing their paramount importance to the performance and growth goals. The Company is dedicated for providing safe working conditions and reducing illnesses and injuries through comprehensive safety training programs. KPIT's initiatives include routine fire safety, emergency mock drills, electrical safety, cross-functional training on hygiene and security policies.

Additionally, KPIT focuses on the mental, physical, and financial well-being of its employees by conducting sessions led by prominent guest speakers and KPIT leaders. Themes covered include stress management, burnout, self-care, healthy eating, mindfulness, mental health awareness, and high-intensity interval training. The Company's robust annual calendar offers a wide range of activities across all geographies, in collaboration with wellness partners, to ensure the health and well-being of its employees.

In the year 2023-24, the Company has implemented various programs to ensure the health and safety of its employees:

- Wellness calendar with focus on nutrition, wellness, stress management, mental health, meditation, e.g., 'Laughter Yoga Workshop' 'Healthcare programs', 'Preventive Care During Monsoon', Summer and winter etc.
- Live virtual 'Health Studio' with doctors and teleconsultation, exclusively for women employees of KPIT.
- Specially organized financial wellbeing webinar along with consultation.
- Extensive webinars on mental and emotional health.
- Continuous awareness among employees through leadership videos, myWorld banners and communication.
- Desk exercise session on floor by general physician.
- Communication with all employees and third-party staff on preventive care during contagious disease.

Business Responsibility & Sustainability Report (Contd.)

13. Number of complaints on the following made by employees and workers

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1	-	Complaint was related to lighting in the parking area	5	-	None
Health & Safety	-	-	None	3	-	None

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%*
Working conditions	

*The assessments were conducted by certified internal auditors.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

KPIT has not observed any serious health and safety concerns or injuries throughout the reporting period. Every day, the Company's internal system makes sure that security professionals at every office smoothly report any or all events. Senior management then reviews these reports once a week. Top management closely monitors and diligently addresses any re-occurring health and safety issues. The Company's internal assessments have not identified any significant risks or concerns. The Company's email ID, "workplacesafety@kpit.com" and ASSIST platform facilitate transparent reporting and support incident investigation and corrective action to prevent future occurrences.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

a) Employees – Yes

b) Workers – Yes, the Company ensures compliance with respect to the labor laws and ensures all the benefits are provided to the workers as per the regulatory provisions as per ESIC scheme.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

KPIT ensures timely deduction and deposit of statutory dues.

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3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, KPIT offers a specific transition assistance program to support employees in managing career endings resulting from termination of employment. Additionally, KPIT provide skill upgradation trainings and conducts performance development reviews to assess and enhance employee skills during their tenure with the Company, reflecting KPIT's commitment to supporting employees at every stage of their careers.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	KPIT is extending the health and safety-related assessments to its value chain partners and looking forward to conducting the assessment in future.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.



KPIT recognizes that effective stakeholder engagement is an essential component of its business operations. To ensure this, the Company has developed a Stakeholders Engagement Policy outlining guidance to understand and address the grievances of its internal and external stakeholders. KPIT actively collaborates and involves its stakeholders in managing risks and resolving conflicts at an early stage, ensuring long-term sustainable growth for the business. Any internal and external stakeholders can report their grievances through email to ombudsman@kpit.com. KPIT strongly believes that by adopting a structured approach for engaging involving stakeholders, will help build a supportive and sustainable relationship with all stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

KPIT prioritizes engaging with key stakeholders who are integral to the business value chain. The Company recognizes the importance of regular engagement with the stakeholders to understand their aspirations and concerns. The Company's key stakeholders include employees, shareholders and investors, banks / lenders, customers, suppliers, local communities, Government and regulatory authorities.

Through active engagement, KPIT fosters effective two-way communication, identifying and resolving any difficulties, and creating shared value. The Company considers both internal and external stakeholders as essential business partners, collaborating closely to drive sustainable growth and success. KPIT values the input and feedback of all stakeholders for working together to achieve goals and fulfill the commitments of the Company.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Newsletters, employee satisfaction surveys and emails, trainings, rewards and recognitions, online meeting with eminent personalities and online team building activities	Weekly/ Monthly/ Quarterly/ Annually/ Need Basis	• Employee Diversity and Inclusion • Employee Engagement • Feedback and grievance redressal • Career development • Safety and healthy work culture • Training Programs
Shareholders & Investors	No	Analyst calls, Press releases, e-AGM and annual report, social media, KPIT Website	Quarterly/ Annually/ Need Basis	• Understanding Shareholder expectations • Educating the investor about the business performance, assets, environment, market, future, etc. of KPIT

Business Responsibility & Sustainability Report (Contd.)

Stakeholder group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
				• Quarterly / Regular communication such as 0perational performance, business outlook, investor presentation, dividend credit intimations, Annual Reports, notices of General Meetings, other regulatory requirements etc. Investor and analyst calls are conducted regularly.
Banks/Lenders	No	Personal Visits, emails and phone calls	Quarterly and Need Basis	• Credit worthiness • Financial Performance.
Suppliers	No	Personal visits, emails and phone calls, satisfaction surveys	Annually and Need Basis	• Risk assessment. • Quality and Business Continuity • Relationship Management
Customers	No	Personal visits, customer satisfaction surveys, emails and phone calls customer leadership meet, social media	Annually and need basis	• Opportunity to improve KPIT's services • Understanding clients and industry challenges • Current trend • Relationship Management
Community	Yes	CSR Initiatives, Awareness workshops, videos, Community program and employee volunteering	Quarterly and Need Basis	• Understanding opportunities for sustainable development • Development to the society • Retain KPIT brand and reputation • Feedback and grievance redressal
Government & Regulatory Authorities	No	Association with Industry body/forums, submission of report and returns, written communication with government authorities and stock exchange filings	Monthly/ Quarterly and Need Basis	• Regulatory Compliances

Business Responsibility & Sustainability Report (Contd.)

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.**

   KPIT firmly believes that maintaining regular, and proactive engagement with all the stakeholders is crucial for aligning expectations and fostering trust and confidence.

   Depending on the type of identified material issue for the stakeholder, the board is regularly updated on various developments through periodic reports and direct communication from senior management members responsible for specific stakeholder aspirations and concerns. This ensures that the governance structures remain informed and responsive to meet the expectations of all the stakeholders with respect to environment and social aspects. KPIT's commitment towards transparent and effective communication is key as the Company works collaboratively to achieve the business objectives and create long-term value for all stakeholders.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

   KPIT has conducted its Materiality Assessment in FY 2022-23, the basis of which KPIT has highlighted the key aspirations and concerns of stakeholders and the business as material issues. The Company always seeks stakeholder feedback and recommendations during business operations. All expectations during the interaction with the stakeholders are considered to identify, and prioritize environmental, social, and governance (ESG) issues. This approach ensures that KPIT's sustainability efforts address the concerns of its stakeholders.

3. **Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   KPIT, in collaboration with Maharshi Karve Stree Shikshan Samstha (MKSSS) and Surajya Sarvangin Vikas Prakalp, Pune-based NGOs, identified women from vulnerable/marginalized stakeholder groups through a needs assessment conducted in Pune and Satara. The Company has implemented a skill training program to help 270 identified women sustain themselves in earning a living.

Business Responsibility & Sustainability Report (Contd.)

Principle 5: Businesses should respect and promote human rights.



KPIT upholds and advocates for the protection of labor and human rights across its operations. The Company has published the detailed guidelines in its Code of Conduct and Vendor Code of Conduct covering aspects of human rights including but not limited to prohibition of child and force labor, non-discrimination and harassment, diversity, equality, and inclusion. All vendors are required to adhere to the Vendor code of conduct before entering any business relationship with KPIT. In addition, all vendors and suppliers are expected to abide by rules, regulations and laws, international conventions, and principles applicable to their operations. KPIT ensures that the principles outlined in these policies are communicated to all stakeholders involved in the daily operations.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

   KPIT prioritizes ethics and integrity from the onset of an employee's journey with the Company. During their induction, all permanent employees receive comprehensive training on the code of conduct, which includes guidelines and the Company's stance on human rights. Additionally, new hires undergo Prevention of Sexual Harassment (POSH) related training to ensure a safe and respectful workplace environment. Furthermore, periodic refresher training sessions are provided to all existing employees to reinforce the commitment to upholding human rights and maintaining a positive workplace culture. KPIT believes in empowering the employees with the knowledge and resources necessary to uphold the values and contribute to a conducive work environment for all.

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	8,782	8,782	100%	7,953	7,953	100%
Other than permanent	198	0	0%	237	-	0%
Total employees	**8,980**	**8,782**	**98%**	**8,190**	**7,953**	**97%**
Workers						
Permanent	-	-	0%	-	-	0%
Other than permanent	179	-	0%	-	-	0%
Total workers	179	-	0%	-	-	0%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	8,782	-	0%	8,782	100%	7,953	-	0%	7,953	100%
Male	6,000	-	0%	6,000	100%	5,455	-	0%	5,455	100%
Female	2,782		0%	2,782	100%	2,498	-	0%	2,498	100%
Other than permanent	198	-	0%	198	100%	237	-	0%	237	100%
Male	144	-	0%	144	100%	160	-	0%	160	100%
Female	54	-	0%	54	100%	77	-	0%	77	100%
Total employees	**8,980**	**-**	**0%**	**8,980**	**100%**	**8,190**	**-**	**0%**	**8,190**	**100%**

Business Responsibility & Sustainability Report (Contd.)

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Workers									
Permanent	KPIT does not have permanent workers.									
Male										
Female										
Other than permanent	179	-	0%	179	100%	164	-	0%	164	100%
Male	148	-	0%	148	100%	133	-	0%	133	100%
Female	31	-	0%	31	100%	31	-	0%	31	100%
Total workers	**179**	**-**	**0%**	**179**	**100%**	**164**	**-**	**0%**	**164**	**100%**

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10*	7,688,170	1	4,568,380
Key Managerial Personnel (KMP)*	-	-	2	9,533,979
Employees other than BoD and KMP	5,996	1,276,501	2,780	1,184,366
Workers	Not Applicable			

* MD and CEO both are BoD and KMP hence counted in Board of Directors category.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wage.	27%	26%

4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. KPIT has dedicated Human Resource Business Partner (HRBP) allocated to each function where employees can raise their concern. In addition to this, KPIT has a robust Vigil Mechanism and Whistleblower policy. Mr. Anil Patwardhan is designated as ombudsman; he reports to the Chairman of Audit Committee.

All internal and external stakeholders can report their grievances through email to ombudsman@kpit.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

KPIT has Vigil Mechanism and Whistleblower policy in place to address human rights and other business conduct related issues. This Policy provides clear guidelines for addressing grievances related to human rights violations.

Under this policy any individual employee, director, or other person associated may make a Protected Disclosure concerning human rights violations, keeping the Company's best interest in mind. The Vigil and Whistleblower mechanism outlines procedures for raising complaints, receiving, and treating complaints, the investigation process, responsibilities, and non-retaliation measures. Upon investigating the issue, the Audit Committee of the Board may approve the report and accordingly the ombudsman can initiate the necessary actions. Additionally, a dedicated HRBP is allocated to each function where employees can raise their concern.

Business Responsibility & Sustainability Report (Contd.)

6. Number of complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	-	-	Not Applicable	1	-	There is a complaint which is duly taken care by the POSH committee and necessary actions were taken
Discrimination at workplace	-	-		-	-	Not Applicable
Child labour	-	-		-	-	
Forced labour / Involuntary labour	-	-		-	-	
Wages	-	-		-	-	
Other human rights-related issues	-	-		-	-	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	1
Complaints on POSH as a % of female employees / workers	0%	0.03%
Complaints on POSH upheld	-	1

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

KPIT is dedicated to maintaining a workplace environment that is free from discrimination and sexual harassment. KPIT has implemented Whistleblower and Prevention of Sexual Harassment (POSH) Policies to empower employees to raise legitimate concerns and report without fear of retaliation or retribution. All complaints related to discrimination and harassment are handled with the utmost confidentiality.

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, as well as the Whistleblower Policy and employee Code of Conduct, KPIT provides awareness training to all employees. This training reinforces the Company's commitment to promoting a respectful and inclusive workplace for everyone. Refer Link of Code of Conduct, POSH Policy www.kpit.com/investors/policies-reports-filings/. Further, as a matter of policy, we keep the complainants' name anonymous.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, KPIT prioritizes transparency and accountability in business partnerships by communicating and sharing the commitments to respect human rights with all the business partners. The Company ensures that the partners have familiarized themselves with and agreed to adhere to the Vendor Code of Conduct, which incorporates essential aspects of human rights.

Business Responsibility & Sustainability Report (Contd.)

KPIT's Vendor Code of Conduct includes provisions addressing issues such as anti-corruption/anti-bribery, child labor, forced labor, and other human rights considerations. Moreover, the Company incorporates clauses related to these matters into the contracts with value chain partners, reinforcing the commitment to ethical business practices and respect for human rights across the value chain.

KPIT strives to uphold the highest standards of corporate responsibility and contributes to a more sustainable and equitable world by proactively engaging with business partners and integrating human rights principles into the agreements. The Company believes that fostering ethical conduct and respect for human rights is fundamental to building enduring and mutually beneficial relationships with all stakeholders.

10. Assessments of the year

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

KPIT has not carried out any human rights assessment during FY 2023-24 for its offices. However, the Company has implemented stringent policies to avoid social and human rights risk.

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

In FY 2023-24, KPIT has not received any complaints / incidents regarding human rights violations. However, the Company remains committed to ensure the effectiveness and implementation of the established human rights, Prevention of Sexual Harassment (POSH), Vigil Mechanism and Whistle Blower policy across all the offices. The Company conducts mandatory training and awareness sessions on POSH and grievance redressal mechanisms for all employees to enhance accessibility and transparency. As part of the onboarding process, vendors are required to comply with the POSH Act, and contractual agreements mandate the establishment and implementation of a human rights policy by vendors.

KPIT is dedicated to fostering a work environment where everyone feels respected, safe, and empowered to speak up against any form of harassment or human rights violation. The Company aims to uphold the highest standards of ethical conduct and promote a culture of accountability and integrity across the Company and partner network through proactive measures and continuous improvement efforts.

2. Details of the scope and coverage of any human rights due diligence conducted

The Company has not conducted human rights due diligence in the reporting year, however the issues pertaining to human rights are monitored regularly.

3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The premise/office of the entity is accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

Business Responsibility & Sustainability Report (Contd.)

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	KPIT has not assessed value chain partners on the mentioned parameters. However, KPIT ensures that value chain partners should adhere with the Vendor Code of Conduct and the regulatory compliances.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

Principle 6: Businesses should respect and make efforts to protect and restore the environment.



As a responsible Company, KPIT undertakes every possible effort to save the planet for now and the future. KPIT strongly believes in creating greater positive impact on society and environment by integrating sustainability factors into its business operations. KPIT's commitment is underpinned by its policies such as the Environment, Occupational Health and Safety Policy and the Vendor Code of Conduct focusing on environmental impact management, resource conservation, and climate protection. Recently, KPIT has developed 'Hydro Fuel Cell Technology' to cater to the high demand of green vehicles to further reduce the reliance on fossil fuel vehicles. KPIT has also implemented Environmental Management System across its offices and, is currently in the process of getting ISO 45001:2015 and ISO 14001:2015 certifications for its four out of nine offices in India.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
For Renewable Sources		
Total electricity consumption (A)	7,890	3,375
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	7,890	3,375
From non-renewable sources		
Total electricity consumption (D)	13,146	15,082
Total fuel consumption (E)	264	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	13,410	15,082
Total energy consumed (A+B+C+D+E+F)	21,300	18,457
Energy intensity per rupee of turnover (Total energy consumed / Revenue (in Million INR) from operations)	1.06	1.22
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue (in Million INR) from operations adjusted for PPP)*	24.17	27.85
Energy intensity in terms of physical output**	Not Applicable	Not Applicable
Energy intensity (*optional*) – the relevant metric may be selected by the entity.	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88 (Source: https://data.worldbank.org/indicator/PA.NUS.PPP).

**Energy intensity in terms of physical output is not applicable as KPIT is into Information and Technology services.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable, as none of the sites / facilities are identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

Business Responsibility & Sustainability Report (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	40,647	31,484
(iv) Seawater / desalinated water	-	-
(v) Others (Tanker water)	4,531	5,210
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	45,178	36,694
Total volume of water consumption (in kilolitres)	45,178	36,694
Water intensity per rupee of turnover (Total water consumption / Revenue (in Million INR)	2.24	2.42
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue (in Million INR) from operations adjusted for PPP*)	51.26	55.36
Water intensity in terms of physical output**	Not Applicable	Not Applicable
Water intensity (*optional*) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88 (Source: https://data.worldbank.org/indicator/PA.NUS.PPP).

** Water intensity in terms of physical output is not applicable as KPIT is into Information and Technology services

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters).		
To Surface water		
No Treatment		
With treatment-please specify level of treatment		
To Groundwater		
No treatment		
With treatment – please specify level of treatment		
To Seawater		
No treatment	Nil	Nil
With treatment-please specify level of treatment		
Sent to third parties		
No treatment		
With treatment-please specify level of treatment		
Others		
No treatment		
-With treatment-please specify level of treatment		
Total water discharged (in kiloliters)	*0	*0

*All the generated wastewater (29,963 kiloliters) is treated and reused for horticulture and domestic purposes. No wastewater is discharged outside the premises of the Company.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

Business Responsibility & Sustainability Report (Contd.)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

KPIT actively optimizes water consumption through various conservation initiatives. The Company has installed Sewage Treatment Plants (STPs) at its owned and operating facilities, where wastewater undergoes treatment and is reused for flushing and gardening purposes. This approach ensures that no liquid discharge occurs outside its facilities, contributing to a Zero Liquid Discharge (ZLD) practice. Specifically, KPIT has treated and reused water for various purposes such as for flushing, gardening, and other domestic purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	-	-	-
SOx	KG	3.27	3.13
Particulate matter (PM)	KG	2.94	2.53
Persistent organic pollutants (POP)		Not applicable	Not applicable
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – Please specify.			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	688.29	506.03 *
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,614.63	3,229.55 *
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue (in Million INR) from operations)	tCO2e/INR turnover (in Million INR)	0.16	0.25 *
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue (in Million INR) from operations adjusted for PPP)**	tCO2e/INR turnover adjusted for PPP	3.75	5.64
Total Scope 1 and Scope 2 emission intensity in terms of physical output* **		Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

* The value of Scope 1 emissions and Scope 2 emissions for FY 2022-23 have been recalculated and restated due to certain change in methodology of computation in order to maintain a consistent approach with current year.

** The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88 (Source: https://data.worldbank.org/indicator/PA.NUS.PPP).

*** Emissions intensity in terms of physical output is not applicable as KPIT is into Information and Technology services.

Business Responsibility & Sustainability Report (Contd.)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.

Yes, KPIT is proactively engaged in addressing climate change by implementing strategic measures and controls to minimize environmental impact. While the environmental footprint of KPIT's operations is comparatively small, the Company remains committed to innovation and continuous improvement to further reduce its carbon footprint across all business activities. This commitment underpins the Company's dedication to sustainability and contributing positively to climate change solutions. KPIT has undertaken several projects as mentioned below aimed at reducing greenhouse gas emissions.

1. KPIT has achieved over 13% reduction in energy intensity by transitioning to a private cloud platform, incorporating technologies like Hyper-converged Infrastructure (HCI) and Virtual Desktop Infrastructure (VDI) compared to conventional computers.
2. The adoption of Cisco Unified Computing Systems (UCS) within the private cloud platform allows for high-memory capacity, supporting numerous virtual machines per blade server. This reduces the need for physical equipment, thus lowering energy requirements for powering and cooling.
3. KPIT replaced desktop computers (consuming around 150 watts) with energy-efficient thin clients (consuming only 30 watts). Thin clients are computers that utilize resources stored inside a central server as compared to a hard drive. This switch resulted in energy savings and emissions reduction.
4. KPIT implemented solutions like Cisco Telepresence, Microsoft Teams, and Cisco WebEx to minimize travel across locations. These technologies enable efficient audio/video conferencing and collaborations, reducing the need for physical travel.
5. KPIT installed and commissioned a solar plant in Pune phase 3 office, with a capacity of 536 kilowatts along with rooftop solar of 200 kW totaling-736kW. With this initiative KPIT has consumed 4402 GJ of solar energy with corresponding saving of 875.40 MT CO2.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	0.22	2.81
E-waste **(B)**	-	12.35
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	0.13	0.10
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	12.10	9.21
Total (A+B + C + D + E + F + G + H)	12.45	24.47
Waste intensity per rupee of Turnover (Total waste generated (MT) /Revenue (in Million INR) from operations)	0.001	0.002

Business Responsibility & Sustainability Report (Contd.)

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated (MT) / Revenue (in Million INR) from operations adjusted for PPP) *	0.014	0.037
Waste intensity in terms of physical output**	Not Applicable	Not Applicable
Waste intensity (*optional*) – the relevant metric may be selected by the entity.	-	-

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88 (Source: https://data.worldbank.org/indicator/PA.NUS.PPP).

** Waste intensity in terms of physical output is not applicable as KPIT is into Information and Technology services.

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	12.44	25.35
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**12.44**	**25.35**
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.

KPIT, as a global technology and service provider, is committed to environmentally responsible practices and does not use hazardous or toxic chemicals in its processes. Waste generated from offices and facility operations primarily includes electronic, electrical, and municipal solid waste, with minimal production of hazardous waste.

For waste management, below initiatives demonstrates KPIT's commitment to sustainable waste management practices, emphasizing recycling, composting, and responsible disposal to minimize environmental impact:

1. KPIT's environmental management system includes robust waste management procedures with a focus on the 4 R's — reduce, reuse, recycle, and recover. Currently, the Company is in the process of obtaining ISO 14001:2015 (Environmental Management System) certification.
2. KPIT carefully monitors and manages e-waste, ensuring that end-of-life electronic hardware such as laptops, printers, and batteries are recycled, repaired, or repurposed through approved vendors.
3. Waste is segregated into dry and wet categories within the Company's facilities. Wet waste is composted to produce manure for gardening, while dry waste is sent to responsible recyclers.

Business Responsibility & Sustainability Report (Contd.)

4. Specific Waste Disposal:

   Biodegradable Waste: The Company operates a composting plant processing up to 100 kg of biodegradable waste daily, generating compost used as garden manure.

   Municipal Solid Waste (MSW): Solid waste is segregated at the point of generation, with recyclable materials sent to authorized vendors for recycling.

   E-waste: Defunct computers, monitors, servers, and electronic items are sent to authorized recyclers for proper disposal.

   Hazardous Waste: Hazardous materials such as lead-acid batteries and waste lube oil are disposed of through government-approved agencies in compliance with Ministry of Environment and Forests (MoEF) guidelines. Additionally, used printer cartridges are returned to the manufacturer under the 'Planet HP Take Back Program' for recycling.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not Applicable, as KPIT is a technology-based Company and does not have operations in or around ecologically sensitive areas.

12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA notification no.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not Applicable. No new office building construction has taken place at KPIT, so KPIT has not undertaken any environmental impact assessments for construction projects.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances, In the following format:

Not applicable

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: In FY2023-24, there are three offices located in water stress areas in Bangalore.

(ii) Nature of operations: Software and IT operations

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	3,597	4,140
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	3,597	4,140
Total volume of water consumption (in kilolitres)	3,597	4,140

Business Responsibility & Sustainability Report (Contd.)

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water intensity per rupee of turnover (Water consumed / turnover)	0.18	0.27
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	-	-
- No treatment	-	-
- With treatment – please specify the level of treatment	-	-
(ii) Into groundwater	-	-
- No treatment	-	-
- With treatment – please specify the level of treatment	-	-
(iii) Into seawater	-	-
- No treatment	-	-
- With treatment – please specify the level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify the level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify the level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	*	1,930
Total Scope 3 emissions per rupee of turnover		*	0.12
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		*	

*KPIT is currently conducting a thorough GHG inventorization for all applicable categories of Scope 3 emissions and will report the same in future.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

Business Responsibility & Sustainability Report (Contd.)

3. With respect to the ecologically sensitive areas reported at Question 11 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Implemented the transition to green energy at Bengaluru location	KPIT is committed to reducing its environmental impact and has implemented a Green Energy Initiative. Under this initiative, KPIT procures wheeling energy from MSPL, a wind energy generator. Wheeling refers to the purchase of electricity from a remote generator and its transmission over the power grid to the consumer's location. By procuring wind energy, KPIT reduces its reliance on fossil fuels and contributes to a cleaner energy mix. The Green Energy Initiative commenced on September 1, 2023, for KPIT's two offices in Bengaluru.	Due to the Green Energy Initiative, KPIT achieved CO2 savings of 19,212,701.54 kg in FY 2023-24. This reduction in greenhouse gas emissions demonstrates KPIT's commitment to environmental sustainability.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

KPIT prioritizes operational resilience through a robust business continuity management framework certified by ISO 22301:2019 standards. This integrated framework ensures consistent deployment across the Company. Subject matter experts oversee business continuity plans and conduct drills to facilitate seamless resumption in case of disruptions.

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

KPIT's commitment to environmental responsibility extends to its supply chain. The Company reports minimal environmental impact from its value chain partners. This is achieved through a stringent Vendor Code of Conduct that mandates compliance with environmental regulations. All new partners must sign this code as part of the onboarding process.

7. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.



As an active member of multiple trade organizations and industry groups, KPIT participates in forums and working committee workshops to address issues affecting industry, business, products, customers, and other concerns relating to the wider stakeholder group. The Company demonstrates enduring support for ethical business practices, sustainability, social stability, and respect for human rights through its public policy advocacy efforts. KPIT collaborates with stakeholders to promote advocacy of sustainability challenges such as conservation of water, climate change, e-waste, education, and diversity. KPIT believes that by actively engaging in an advocacy effort and adhering to ethical principles, the Company can contribute to positive societal change and create greater impact.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. – 10

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	World Economic Forum (WEF)	International
2	Autonomous Vehicle Computing Consortium (AVCC)	International
3	Association for Standardization of Automation and Measuring Systems (ASAM)	International
4	Automotive Open System Architecture (AUTOSAR)	International
5	Charging Interface Initiative (CharIN)	International
6	Scalable Open Architecture for Embedded Edge (SOAFEE)	International
7	Confederation of Indian Industry (CII)	National
8	National Association of Software and Service Companies (NASSCOM)	National
9	Automotive Component Manufacturers Association of India (ACMA)	National
10	Maratha Chamber of Commerce Industries and Agriculture (MCCIA)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

KPIT maintains an unwavering commitment to fair competition, with zero allegations of anti-competitive behavior on record in the reporting year. The Company's Code of Conduct is available on the website which reinforces the dedication to fostering an open as well as competitive market denouncing any involvement in unfair trade practices.

KPIT always emphasizes ethical and responsible conduct. This includes refraining from seeking proprietary information or engaging in any unlawful or unethical practices to gain a competitive advantage.

Business Responsibility & Sustainability Report (Contd.)

Immediate disclosure to the Head of HR is highly encouraged if any employee inadvertently obtains confidential information related to competitors. This ensures that transparency and integrity remain paramount in all business dealings. KPIT is committed to upholding the highest standards of ethical conduct and fair competition.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

KPIT is an active participant and contributor within various industry alliances and consortia such as NASSCOM, ACMA, and MCCIA, among others. Additionally, the Company is engaged in technology-specific consortia like AUTOSAR, ASAM, and CharIN. The Company's leaders and subject matter experts play pivotal roles in these forums, sharing insights, exchanging views, and discussing a wide range of topics. These discussions encompass future roadmaps, technological advancements, adoption strategies, experiences, government policy interventions, standards, and specifications. Through these interactions, KPIT remains at the forefront of innovation and collaboration within the industry. Refer the Public Advocacy policy link www.kpit.com/investors/policies-reports-filings/.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.



KPIT's Corporate Social Responsibility (CSR) policy adheres to the guidelines outlined in the Companies Act, 2013 and is aligned to have a stronger commitment towards the communities around. Corporate Social Responsibility (CSR) has been an integral part of KPIT's Philosophy since its inception. The Company believes in giving back to communities as a moral responsibility towards society, and this has been pivotal to KPIT's growth story. Being a socially responsible Company, KPIT continues to create a long-lasting impact through its technology and innovation driven CSR activities helping the less fortunate sections of society.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web Link
Not Applicable. As per Rule 8(3) of the Companies (CSR Policy) Rules, 2014, KPIT is not required to conduct SIA, for any of its CSR projects for FY 2023-24. However, KPIT looks forward to conducting SIA during FY 2024-25, if applicable.					

2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2022-23 (In INR)
Not Applicable. KPIT has not undertaken any projects for which Rehabilitation & Resettlement is being undertaken.						

3. Describe the mechanisms to receive and redress grievances of the community.

KPIT has a Corporate Social Responsibility (CSR) Policy which is more than just a commitment – it is a driving force behind creating lasting change in communities. KPIT's core values are focused on education, environment, and employee engagement, aiming to make a tangible impact on society. With a firm belief in the power of technology and innovation, KPIT strives to uplift communities through its Science, Technology, Engineering and Mathematics (STEM) initiatives.

Through direct and indirect engagement with ongoing projects, KPIT continuously monitors progress and addresses community needs. KPIT's dedicated CSR committee oversees the implementation of approved projects, providing regular updates to the KPIT Board half-yearly. KPIT is not just making a difference but also building a brighter future for all.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs / small producers	87.96%	90.13%
Directly from within India	11.74%	10.87%

Business Responsibility & Sustainability Report (Contd.)

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	NA	NA
Semi-Urban	NA	NA
Urban	NA	NA
Metropolitan*	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

*KPIT has offices in Metropolitan cities of the country.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: Question 1 of essential indicators above):

Not Applicable, as no SIA were carried out during FY 2023-24.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational district	Amount spent (In ₹)
1	Andhra Pradesh	Visakhapatnam (Sparkle 2024)	Following are the project-wise CSR spent details during FY 2023-24 # Chhote Scientists: INR 7,012,995 # KPIT SPARKLE: INR 9,847,696 # KPIT SHODH: INR 1,990,000
2	Karnataka	Raichur (Sparkle 2024)	
3	Madhya Pradesh	Vidisha (Sparkle 2024)	
4	Punjab	Moga (Sparkle 2024)	
5	Tamil Nadu	Virudhunagar (Sparkle, Shodh 2024)	
6	Arunachal Pradesh	Namsai (Chhote Scientists)	
7	Rajasthan	Sirohi (Chhote Scientists)	
8	Maharashtra	Osmanabad (Chhote Scientists)	

We are conducting these programs in 900 schools across eight states in India. The information in the table is provided with respect to the aspirational districts. However, the amount spent is the total amount spent on the respective programs.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

No. While procuring goods/services from Micro, small and medium enterprises (MSME) vendors, KPIT treats them at par with non-MSME vendors. However, KPIT follows more preferential payment norms for MSME vendors. Most of the procurement includes high-end hardware, software, tools, etc. that are procured from OEMs/local partners and rest of the routine services for managing facilities, infrastructure etc. are availed through established vendors.

(b) From which marginalized/vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable. As KPIT is an IT service provider, its major procurement is for IT-related goods and services which are sourced through large multinational OEMs and distributors. However, it is the endeavor of KPIT to procure locally, sustainably and from marginalized /vulnerable suppliers for the administrative and canteen requirements. KPIT prefers local suppliers of goods and services to help create economic opportunities in the communities in which it operates.

Business Responsibility & Sustainability Report (Contd.)

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable, as the Company do not have any intellectual property based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of the authority	Brief the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR projects:

S. No.	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups*
1.	Water Conservation Program and Vanarai bandhara (Bund) Construction	650 villagers from Malegaon, Mulshi, Pune and Nalwat Village, Taluka Velha, Pune, Maharashtra	100%
2.	Waste Management *	12,196	-
3.	Best Out of E-Waste Competition #	300	-
4.	Tree Plantation – Wildlife Research and Conservation Society (WRCS)- (2,000 trees were planted in FY 2023-24)	Not Applicable	Not Applicable
5.	Tree Plantation - 14 Trees Foundation (660 trees were planted in FY 2023-24)	Not Applicable	Not Applicable
6.	Chhote Scientists	89,899	This program covers all categories of students to promote STEM education
7.	vSolve Competition	440	This program covers all categories of students to promote STEM education
8.	KPIT Sparkle	19,766	This program covers all categories of students to promote STEM education
9.	KPIT Shodh	130	This program covers all categories of students to promote STEM education
10.	KPIT STEM Dialogues $	1,003	This program covers all categories of students to promote STEM education
11.	Pune Metropolitan District Tennis Association (PMDTA) - Encouraging Lawn Tennis	15	-
12.	Maharshi Karve Stree Shikshan Samstha & Swarjya (MKSSS) – Women Empowerment	270	100%
13.	Blood Donation Drives	1,374	Not Applicable
14.	Book Donation Drive	100	100%
15.	Cultural Events for children	358	100%
16.	School Kit Drive	2,190	100%
17.	Awareness on Plastic Usage at Bannerghatta National Park	600	Awareness was given to every visitor of the park on that day
18.	Support to self-help groups/NGOs	850	100%

Business Responsibility & Sustainability Report (Contd.)

S. No.	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups*
19.	Support to self-help groups/NGOs	3,087	100%
20.	Annadaan Campaigns	450	100%
21.	Awareness Programs (Blood Donation, Workshops, Padma Samvaad, Talks on Carbon Footprint, Toxin-free lifestyle & Waste Management)	1,716	KPIT has organized awareness sessions for employees to create awareness about environmental issues, to encourage them to opt for sustainable lifestyle at individual level
22.	Cleanup Drives (River & Beach)	42 volunteers were engaged in 2 drives	KPIT has collected 28 bags of garbage during these cleanup drives (around 200kgs of garbage)

* By Waste management initiative, KPIT has collected and processed 54 tons of E-Waste & 30 tons of Plastic waste through around 12,196 participants.

Organized competitions for students to create awareness about e-waste.

$ These are social media views

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.



Considering the paradigm shift in consumer preferences for sustainable products and services, especially for Electrical Vehicles (EV), KPIT is actively contributing to the mobility industry by providing green technology, software, and services to various auto makers across the globe. The EV revolution is not only transforming the automotive industry but also reinforcing KPIT's environmental stewardship. KPIT is committed to continually innovating to enhance the customer experience by seeking constructive input from customers. The Company incorporates the feedback from the customer into the ongoing efforts to strengthen the position and elevate user satisfaction.

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   KPIT has established a robust mechanism for receiving and addressing client complaints. Each project within its contractual agreements includes comprehensive information regarding the designated team responsible for addressing queries and complaints, along with their respective contact details. Additionally, the hierarchical structure of responsibility is clearly delineated.

   Clients and relevant stakeholders within the client's organization are encouraged to communicate queries or complaints to the designated team via email. Should any dissatisfaction arise, clients can escalate the matter to the next level of responsible personnel or the project lead.

   Most of the queries are resolved at the project level, with a swift turnaround time for responses. Upon each project's conclusion, the KPIT team solicits customer feedback through a structured customer feedback form (CSAT). This CSAT form assesses various aspects, including project delivery, quality, cost management, project management effectiveness, responsiveness, value-added services for clients, and recommendations for improvement. Additionally, it invites suggestions aimed at enhancing KPIT's service delivery to ensure the highest level of client satisfaction.

   KPIT has Zero Defect Delivery (ZDD) initiative in place to ensure delivery of the highest quality services. Achieving ZDD and excellence at every touch point is one of KPIT's key mission since this impact's clients' software quality, time to market, and investments. KPIT has brought in first-time right mindset with a rigorous emphasis on process implementation and its tight adherence.

2. **Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:**

	As a % to total turnover
Environmental and social parameters relevant to the product	Not Applicable, as KPIT is a service industry and do not manufacture any product.
Safe and responsible usage	
Recycling and/or safe disposal	

Business Responsibility & Sustainability Report (Contd.)

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	KPIT did not have any consumer complaints with respect to data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, or unfair trade practices in FY 2023-24			KPIT did not have any consumer complaints with respect to data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, or unfair trade practices in FY 2022-23		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practices						
Unfair trade practices						
Other						

4. Details of instances of product recalls on account of safety issues

	Number	Reason for Recall
Voluntary recalls	0	0
Forced recalls	0	0

KPIT is not a manufacturing company hence there are no recalls on account of safety issues.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, KPIT has a Data privacy policy and the Company stands at the forefront of safeguarding the technological landscape with a comprehensive suite of security measures. The Company's commitment to confidentiality, integrity, and availability of systems and data is unwavering.

KPIT has fortified its defenses against evolving risks, including the expansion of device surfaces, by securing robust cyber insurance coverage. KPIT's global cyber security framework is precisely crafted, spanning governance, policies, training, and incident management. KPIT's approach includes proactive measures such as privacy impact assessments, data mapping, and third-party oversight to ensure compliance across geographies.

To ensure the highest standards of information security, the Company maintains certifications in accordance with leading international standards such as Information Security Management (ISO/IEC 27001) and TISAX. TISAX is an European automotive industry-standard information security assessment catalog, focusing on key aspects of information security such as data protection and connections to third parties. Also, KPIT adheres to various statutory and regulatory compliance standards to safeguard the confidentiality, integrity, and availability of data provided to each client. KPIT is committed to upholding the trust and confidence of the clients by maintaining the highest levels of security and compliance across the operations.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on the safety of products / services.

There were no instances relating to advertising, and delivery of essential services; cyber security and data privacy of customers, re-occurrence of instances of product recalls, or penalty / action taken by regulatory authorities on safety of products / services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

None

Business Responsibility & Sustainability Report (Contd.)

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed.

KPIT Technologies is a global partner to the automotive and mobility ecosystem for making software-defined vehicles a reality. It is a leading independent software development and integration partner helping mobility move towards a clean, smart, and safe future. KPIT has a long-term relationship and engagement with its client, as a part of which it provides services, tools, platform, and accelerators (TPAs) based on specific client programs. A summary of all KPIT solutions, services and products is available on its website www.kpit.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not Applicable, as KPIT provides IT products and services. However, the Company ensures adequate communication and awareness about its products/services to customers.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

KPIT has a Business Continuity Plan (BCP) in place to ensure continual engagement and communication with all the stakeholders amongst its clients. The BCP is a comprehensive plan with multilevel communication with clients, backed by a technology engagement plan covering detailed steps across various aspects of each program, that helped clients with their own BCP, anticipating challenges in their business while addressing them with technological solutions.

Clients have appreciated the swiftness of KPIT's response, quality control, data protection and the level of support to ensure business continuity. With the select strategic clients, KPIT has a periodic review with client's senior management and KPIT leadership, to review and assess all aspects and future of the engagement. Such forums are utilized to understand the future roadmap from clients and share KPIT's update on its solutions and services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Not Applicable as KPIT is a service industry and does not manufacture any product. However, the Company ensures adequate communication with respect to the IT services offered to the customers as per the regulatory guidelines.

5. Did your entity carry out any survey with regards to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)

KPIT is dedicated to the relentless pursuit of client satisfaction. Through dynamic Customer Satisfaction (CSAT) Surveys conducted quarterly or as per agreed frequencies via the Company's user-friendly web portal, the Company delves deep into crucial parameters such as delivery, quality, cost, project management, responsiveness, and the Net Protector Scores (NPS). KPIT elevates the experience further by capturing invaluable qualitative insights through one-on-one meetings between the Company's C-level executives and the esteemed clients.

ENTERPRISE RISK MANAGEMENT

KPIT Technologies Limited ("the Company") has a robust and structured Enterprise Risk Management (ERM) framework which enables the Company to achieve its strategic objectives. The Company has ERM policy, Governance structure, risk management processes in place which helps risk management alignment with Company strategy and mission.

GOVERNANCE STRUCTURE

Risk Management Committee	Risk Management Office	Risk Owners
Members of Board	CEO, CFO, CRO and Risk Management Team	Senior Management Team Members

The Risk Management Committee of the Board oversees implementation of risk management framework across the Company. The Company has created Risk Management Office which looks into implementation of ERM policy & has identified risk owner/owners for each risk, who monitors the identified risk and provides mitigations for the same. Risks and mitigation plan are reviewed by Risk Management Committee who suggest identification of additional risks and modification of mitigation plan.

THE ERM FRAMEWORK HELPS IN RISK MANAGEMENT PROCESS



The Company's risk management framework covers Strategic risks, Operational risks, Financial risks, Economic & political risks, Legal & compliance risks, Reputation risks, Cyber security risks, Data Privacy risks and Environmental, Social and Governance risk.

ALL IDENTIFIED KEY RISKS ARE MAPPED WITH COMPANY'S STRATEGY, MISSION AND BUSINESS ENVIRONMENT

Strategy

1. Cyclying nature/Disruption in Automotive Industry

Mission

1. Technology discruption
2. Delivery Excellence
3. Top Talent retention and attraction
4. Inability to grow in Diamond and Platinum accounts
5. Profitability management

Business Environment

1. Majoor Currency fluctuation
2. Economic & Political events impacting business stability
3. Liability from customer contracts
4. IT Infrastructure availability & Cyber securities risk
5. Intellectual Property Infringement
6. Data Privacy risk
7. Environmental, Social and Governance risk

Enterprise Risk Management (Contd.)

Summary of key risks

Risk & Impact	Mitigation Plan
Cyclical nature / Disruption in Automotive Industry -	
Company's current revenues are generated from automotive and mobility ecosystem and in particular passenger car segment. Cyclical nature / disruption in automotive industry and Global slowdown can have an impact on Company's growth and profitability.	Monitor the Automotive and Mobility industry to have visibility of Industry software spend. Develop strategy to mitigate the impact on business due to disruption in Automotive industry. Create differentiated offerings and evaluate adjacent verticals. Investments aligned to client software spend to support client's roadmap of software defined vehicles and software architecture programs. Focusing on partnerships and alliances for specific skills/expertise.
Technology Disruption –	
Technology changes, emergence of new and disruptive Technologies, especially AI, can create disruption in Company's business model	Investments to increase technology competencies for adapting to the technology changes reviewed through Practice Development Forums. Evaluate, assess and adopt new and disruptive technologies. Focus on new offerings to remain ahead in cutting edge technology areas. Evaluation of product strategy for development, validation and networking tools to make SDV transition for OEMs.
Delivery Excellence –	
Automotive industry is becoming more and more competitive with stricter regulations relating to vehicle safety emission, energy crisis and slower demand. Work that we do for our clients is critical for their production program to help them bring their products to market smarter, faster and better. Delays may impact client's production programs.	Build right people competencies, develop robust competency framework and execution and culture of excellence starting with zero defect delivery which will enhance client experience. Strong focus on building SCALE through automation, AI based technologies and engineering productivity improvement and First time right deliverables. Adopt agile delivery models and build right competencies for delivery and have measures in place to review and mitigate risks. Engage with clients and lead to help clients for achieving their desired goals successfully. Proactive planning, prioritization and process automation for timely deliveries. Multi-level reviews system for review of project delivery and control, delivery planning and execution of client programs through delivery excellence program.

Enterprise Risk Management (Contd.)

Risk & Impact	Mitigation Plan
Top Talent retention & attraction -	
Ability to attract and retain talent, especially having competence in new technology areas is key for the Company to maintain leadership. Growing trajectory of Global Capability Centers in recent years may also create challenge in retaining key talent. Higher attrition may impact delivery and focus on growth opportunities.	Improve talent acquisition and retention life cycle. Training programs for continuous upgradation of skills and certifications to improve competency across all the experience levels. Leadership development, Individual development plans and career planning for employees. Effective employee engagement and recognition framework at different level including ESOPs, with focus on top talent. Focus on Culture of Excellence and Sustainability
Inability to grow in top clients –	
Inability to execute strategy will impact Company's growth Driving major business through Global capability centers by OEMs, may also have impact on Company's business growth.	Build strong strategic relationship with OEMs and top clients to drive its growth strategy and improve client experience. Prioritization of investments in select Clients. Build the strategy for disrupters. Client engagement transformation program to achieve desired positioning, build proactive propositions and excellence and provide best value to clients in order to drive growth in all geographies. Client engagement for understanding technology road map and goals of clients in order to cultivate relationship and serve better.
Profitability Management–	
Company's profitability is significantly influenced by clients' spending patterns, competitive pricing pressure and increasing employee and other operational costs. Lower profitability may have impact on sustainability and future investments.	People cost is significant cost the Company. The Company has also made investment in people through trainings & development and ESOPs. To manage people cost despite annual wage increase, The Company continues to monitor various matrix like Utilization, employee pyramid, subcontractor cost etc. to improve average salary cost to drive operational efficiency. Focus on improvement in Rate realization, align costs with revenue visibility. Leverage global delivery model for effective use of talent across various centers and focus on increase in offshore and nearshore. Investment in hiring, training and competency development in order to increase productivity. Investment in tools & automation to further improve productivity & profitability.
Major Currency fluctuation –	
Significant currency fluctuations have an impact on Company's financial results.	The Company has adopted a prudent forex hedging policy which is reviewed by management and approved by the board. Policy helps the Company to minimize the impact of currency fluctuations on its profitability. Policy is reviewed periodically, and its implementation is reviewed by Chief Financial Officer (CFO). Selection of right hedging products in line with the Company policy. Continue to monitor currency movement in the market and its possible impact in medium term.

Enterprise Risk Management (Contd.)

Risk & Impact	Mitigation Plan
Economic & Political risk –	
The Company as well as its Clients have global footprint and are affected by economical & political events occurring across world. Possibility of slowdown / recession in major geographies, prolonged war situations globally and related uncertain events may have impact on business environment, increased cost of business and client spend.	Focus on building global presence with local talent in delivery centers in all major locations where it operates. Regular review of changes in regulations, especially immigration laws is done as part of proactive planning. Continue to monitor global situations and evaluate its impact of business. Periodic review for impact of such events on client's business to realign / plan investments based on new opportunities created due to changing business environment to have balanced growth across geographies.
Liability from client contracts –	
Client engagement is critical for client-oriented business like ours. Ineffective client relationships may impact our core operational areas and revenues or might result in additional costs to the Company. This may culminate in claims for damages by client which may adversely affect profit margins.	Risk mitigation by scrupulous review of client contracts, define clear scope, deliverables & client dependencies in contract, multi-layered governance structure for review and approvals, taking appropriate risk covers if required. Establishing service delivery excellence by strengthening program management capability & global delivery management framework. Monitor and measure risk on account of delayed project execution or defective deliveries or products, poor client satisfaction scores, long disputed outstanding or issues and any other relevant aspect for determining the possibility of claim. Spread awareness related to data security and implement related controls.
IT infrastructure availability & cyber security risk -	
Cyber security and IT infrastructure availability is key for our business. It is crucial to provide secured infrastructure to protect sensitive and confidential information of all stakeholders. Inability to provide the same may impact the Company operations and attract regulatory penalties.	Creation of cyber security framework and policy to enhance cyber resilience. Additional investments and surveillance for increased threats, increase awareness of cyber security and have systems & processes for responding to disruptive incidents. Conduct trainings and awareness programs on Information Security covering all employees and partners. Audits by reputed third party agencies and implementation of additional systems, processes and measures for enhancement of cyber security. Business Continuity Plan for responding to any crisis event to minimize disruption.

Enterprise Risk Management (Contd.)

Risk & Impact	Mitigation Plan
Intellectual property infringement risk –	
Possible risk of third-party Intellectual Property infringement by the employees of the Company (intentional or unintentional) while working on projects which may result in litigations, huge penalties and impact on reputation. There is increased probability of this risk due to AI based technologies. Possible risk of infringement of KPIT Intellectual Property by third party which may have impact on ownership rights and revenues.	Obtain Confidentiality undertaking from employees and conduct training and awareness sessions. Update and implement IP infringement policy / framework based on external review. Establish IP management framework, processes and procedures that address the risk of infringement of third-party IP and ensure safeguarding of own IP assets. Evaluate exposure due to AI based technologies, if any and work on mitigation strategies. Establish IP Governance process to ensure right access and right use of KPIT IP, customer IP, partner IP, and third-party IP in service.
Data Privacy risk –	
Personal data needs to be kept secure as vulnerabilities in the flow of data may lead to the risk of breaching personally identifiable information (PII). Violation of data privacy or security breaches can result in liabilities or penalties and reputational impact.	Create and implement framework/governance improvements and develop privacy program considering respective geographical nuances and laws. Perform Data Protection Impact Assessment on critical applications processing PII. Review and update privacy policies and privacy-related clauses and third-party agreements for compliance with regulatory requirements.
Environmental, Social and Governance risk (ESG) -	
Extreme weather conditions may impact business operations. Stakeholder's expectations and disclosure requirements are still evolving. ESG is used by investors and clients for strategic partnerships. Low sustainability score may impact business growth, reputation and profitability.	The Company's vision is to create Cleaner, Smarter and Safer world. The same is achieved through offerings that Company provides to its clients. Collaborate on sustainability with clients through aligned offerings to scale impact. Define organization goals towards ESG and track the performance. Utilize renewable solar energy in campus, water management through recycling, reduce energy consumption through integration of cutting-edge technologies to reduce carbon footprint. Employee awareness sessions on climate changes and environmental aspects to help focus on actions towards sustainability in professional as well as personal lives.

R & D ACTIVITIES

R&D Activities, the Chief Technology Office (CTO) functions to enable innovation, technology, research, and development at KPIT. The Chief Technology Office drives the R&D activities at KPIT. Following are some of the research projects under development:

KPIT INTEGRATED TEST ENVIRONMENT (KITE) PLATFORM

- Integrated KITE with HIL systems for AUTOSAR stack testing
- Platform was extended for various AUTOSAR protocols such as PCAN, Ethernet (ETH)
    - o Peak system CAN, CAN-FD and LIN
    - o LIN support in Tracer Window
    - o Ethernet - Support all IPV6 protocols, SOME-IP/SD and Network Discovery Protocol
    - o Ethernet tracer window in Kite UI
    - o Ethernet - Testability Protocol and Service Primitives,
    - o Testability message (ETM) in Ethernet plug-in using standards from Testability Protocol and Service Primitives document
- Support for Linux platform and Ethernet plugins.
- Integrated CAN DBC feature and CAN Tracer window from Infotainment.
- Provided export feature in KITE for Keyword driven testing for runtime integration with CICD.
- User productivity metrics for Automated testers.
- Support for additional authentication mechanisms.

SODIUM-ION BATTERY TECHNOLOGY

- Design and development of Sodium-ion Battery for automotive and stationary applications.
- Development of Sodium-based (earth abundant) cathode and anode materials for high energy and high-power Sodium ion battery.
- Design and development of high-capacity pouch and prismatic cells that can be charged faster than Lithium-ion cells and can give longer life module for testing.
- Continuous ongoing Research and Development efforts in improving battery performance, cost and durability.
- Cathode Raw material scale up from Lab to Pilot scale.

PROJECTS

- Design and development of Sodium ion cells for Front of the Meter stationary energy storage system demonstration unit with a customer.
- Design and development of Sodium-ion cells for developing a battery pack for Avionics and telemetry application for RCI-DRDO.
- Design and development of Sodium ion module/pack for demonstration and field trails in 2 and 3 wheeler with an OEM.

DETAILS OF PATENTS:

- Total number of patents filed till date: 41
- Number of patents filed in FY 2023-24: 3 (1 complete specification, 2 provisional specifications)
- Number of patents granted in FY 2023-24: 12

DOMAIN-WISE BREAKUP OF PATENTS FILED TILL DATE:

- Number of patents related to ADAS (Advanced driver assistance system) technology – 20
- Number of patents related to Sentient project- 7
- Number of patents related to EV technology- 3
- Number of patents related to Autonomous Vehicle technology - 3
- Number of patents related to Other technologies, like DCS, Cyber security, Diagnostics, etc.- 8

R & D Activities (Contd.)

PATENT DESCRIPTION (FILED):

Sr. No.	Patent title	Application Type	Description
1.	In-vehicle voice communication system and method thereof	Provisional application	The present disclosure relates to an in-vehicle voice communication system and method including an external communicator unit at a service location. The external communicator unit comprises a broadcasting beacon unit that is configured to transmit one or more signals within a detection range. The one or more signals comprise credentials associated with the broadcasting beacon. The system further comprises an in-vehicle communicator unit configured with a vehicle. The in-vehicle communicator unit comprises a beacon listener that is configured to detect and listen to the one or more signals. When the one or more signals are detected by the beacon listener, an audio connection is established to initiate a voice communication between the operator of the broadcasting beacon and the driver of the vehicle.
2.	A system and method for image segmentation and automated labels	Provisional application	The present invention relates to image segmentation and automated labels for autonomous vehicles, and in particular relates to a system and method for amodal panoptic part segmentation and automated labelling for AD/ADAS systems. The system of the present invention generates automated labels for amodal panoptic parts segmentation with language and visual prompts for camera sensor data and lidar sensor data sample. The system comprises of an amodal panoptic part segmentation foundation model, a training data store, an amodal panoptic part labelling system, a training engine, an online label refinement module, along with other modules. The method of the present invention uses a self-supervised online training process and has a more detailed and fine-grained segmentation approach providing all the details of the occluded region as well as parts region. As the final output, data segmented and annotated by the present system is passed on to a planning system for further processing, which improves the planning of the self-driving systems.
3.	Multi-modal sensor temporal dataset generation and auto-labeling for in-cabin and perception systems	Complete application	The present invention relates to a system and method for generation and auto-labeling of multi-modal sensor dataset. The system comprises a label prompt generator and tuning module that enables a processing device to receive user inputs pertaining to a text and visual prompt for an in-cabin system and/or a perception system of a vehicle and correspondingly generates rich text prompts and perception-based prompts. Further, a multi-modal sensor data generator module generates in-cabin image data, and short-range LiDAR data and short-range RADAR data of a cabin of the vehicle, and further generate perception image data, short-range LiDAR data and short-range RADAR data, and long-range LiDAR data and long-range RADAR data of an exterior environment of the vehicle. Further, an auto-labeling module enables the processing device to annotate and label the data generated by the multi-modal sensor data generator module.

R & D Activities (Contd.)

PATENT DESCRIPTION (GRANTED):

Sr. No.	Patent No.	Country	Patent Title	Description
1.	CN 201811082624.7	China	System and method for traffic sign recognition	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).
2.	CN 201880038914.3	China	System and method for pedestrian detection	A pedestrian detection system implemented in a vehicle is disclosed. The system comprises an initialization module, which receives and defines a Region of Interest (ROI) for a set of image frames pertaining to field of view of a vehicle driver, wherein the ROI is defined based on resolution of said each image frame and a region defined in the field of view; a scanning window selection module, which determines a plurality of scanning windows in the ROI of each of the set of image frames, wherein size of each scanning window is computed based on presumed height of the pedestrian in the image frame; a feature extraction module, which extracts Integral of oriented gradients (IHOG) features from each scanning window; and a pedestrian detection module, which detects the pedestrian based on the extracted IHOG features from each scanning window using a cascade of two or more classifiers.
3.	IN 442335	India	Lidar and radar-based tracking and mapping system and method thereof	A system implemented in a vehicle for tracking and mapping of one or more objects to identify free space is disclosed. The system has an input unit having lidar sensors and radar sensors that sense objects in a region surrounding the vehicle, and a processing unit that: receives data from lidar sensors and radar sensors and maps the data in corresponding grid maps of corresponding sensors; tracks objects in regions corresponding to the sensors and performs estimation for objects not sensed by any of the sensors; fuses the grid maps by converting them from sensor frame to vehicle frame to generate a fused grid map; and integrates the fused grid map with any or a combination of track management and scan matching to perform classification of the one or more objects into static objects or dynamic objects and identification of free space in the fused grid map.

R & D Activities (Contd.)

Sr. No.	Patent No.	Country	Patent Title	Description
4.	IN 444916	India	A system and method for ambient light detection	The idea 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 at least one of the average frequency mean value with a predetermined FM threshold and the data mean value a predetermined DM threshold, for detecting ambient light.
5.	US 11814085	U.S.	A system for grid-based merge cut-in prediction and method thereof	A prediction system implemented in a host vehicle to predict a merge cut-in for an autonomous vehicle. The system comprises an input unit for capturing neighbouring information of the host vehicle, and a processing unit to receive the captured neighbouring 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 behaviour model of each target vehicle, to determine optimized path of each target vehicle, and generate a global manoeuvre model by analyzing motion of each neighbouring target vehicle , wherein on generation of the global manoeuvre 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.
6.	JP 7372350	Japan	Lidar and radar-based tracking and mapping system and method thereof	A system implemented in a vehicle for tracking and mapping of one or more objects to identify free space is disclosed. The system has an input unit having lidar sensors and radar sensors that sense objects in a region surrounding the vehicle, and a processing unit that: receives data from lidar sensors and radar sensors and maps the data in corresponding grid maps of corresponding sensors; tracks objects in regions corresponding to the sensors and performs estimation for objects not sensed by any of the sensors; fuses the grid maps by converting them from sensor frame to vehicle frame to generate a fused grid map; and integrates the fused grid map with any or a combination of track management and scan matching to perform classification of the one or more objects into static objects or dynamic objects and identification of free space in the fused grid map.
7.	IN 491464	India	System and method for pedestrian detection	A pedestrian detection system implemented in a vehicle is disclosed. The system comprises an initialization module, which receives and defines a Region of Interest (ROI) for a set of image frames pertaining to field of view of a vehicle driver, wherein the ROI is defined based on resolution of said each image frame and a region defined in the field of view; a scanning window selection module, which determines a plurality of scanning windows in the ROI of each of the set of image frames, wherein size of each scanning window is computed based on presumed height of the pedestrian in the image frame; a feature extraction module, which extracts Integral of oriented gradients (IHOG) features from each scanning window; and a pedestrian detection module, which detects the pedestrian based on the extracted IHOG features from each scanning window using a cascade of two or more classifiers.

R & D Activities (Contd.)

Sr. No.	Patent No.	Country	Patent Title	Description
8.	IN 495415	India	A high-power density sodium-ion battery	The invention discloses a high-power density and long cycle life Sodium-ion battery system and method for designing the same. The present invention further relates to method for formation of a Solid Electrolyte Interface Layer (SEI) on the surface of the anode electrode to prevent the irreversible loss of the capacity of the counter electrode.
9.	IN 505908	India	System and method for traffic sign recognition	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).
10.	IN 506718	India	A system for grid-based merge cut-in prediction and method thereof	A prediction system implemented in a host vehicle to predict a merge cut-in for an autonomous vehicle. The system comprises an input unit for capturing neighbouring information of the host vehicle, and a processing unit to receive the captured neighbouring 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 behaviour model of each target vehicle, to determine optimized path of each target vehicle, and generate a global manoeuvre model by analyzing motion of each neighbouring target vehicle , wherein on generation of the global manoeuvre 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.
11.	IN 508317	India	Autonomous system validation	Aspects of the present disclosure relates to a system and method of validation of automation feature of automobile. The method of validation of an automation feature includes the steps of: assessing the automation feature to be validated; grouping functions of the automation feature into a plurality of functional areas; generating at least one scenario under which the automation feature need to be validated; decomposing the at least one scenario into a plurality of test benches, wherein each of the plurality of test benches are based on at least one functional area of the plurality of functional areas; and quantitatively validating functionality of the automation feature in at least one functional area of the plurality of functional areas.

R & D Activities (Contd.)

Sr. No.	Patent No.	Country	Patent Title	Description
12.	IN 513560	India	System and method for detecting a vehicle in night time	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.

TECHNICAL PUBLICATIONS:

Sr. No.	Paper Title	Conference	Domain
1.	Accelerating Automotive Design: Harnessing AI Models for Efficient 3D Design and Development of Automobile Systems and Subsystems	SAEINDIA and IEEE -International Transportation Electrification Conference	Generative AI
2.	Design Optimization in Automotive Product Development Using AI/ML Algorithms	SAEINDIA and IEEE - International Transportation Electrification Conference	Machine Learning algorithms

KPIT SPARKLE:

KPIT SPARKLE 10TH EDITION 2024:

About KPIT Sparkle: KPIT Sparke is an Initiative by KPIT Technologies. KPIT Sparkle provides a platform for engineering students across India to showcase their innovation at the international level. Every edition of the program is spread over a period of 9 months and divided into various stages. During this period the students are provided guidance and mentorship to upskill and elevate the ideas submitted by them. The training and guidance are provided by various mentors through KPIT Sparkle.

This year, KPIT Sparkle witnessed engagement from more than 433 colleges across India, spanning 28 states and 8 Union territories. Additionally, there was international representation from 32 colleges hailing from 14 different countries.

We received over 19,751 entries out of which 1,418 ideas were submitted, and the top 8 teams qualified for the Grand Finale 2024. The finalists were judged by a panel of senior executives from KPIT Technologies & Industry Academia.

The grand finale event was organized at the KPIT office in phase 3 campus. During the event, the students were provided individual exhibit areas to display their prototypes/projects and pitch their innovations to Jury. The event was a grand success, with the finalists showcasing some truly innovative and cutting-edge solutions. Dr. Tessy Thomas, Ex-Director General of Aeronautical Systems, DRDO also known as ‘’The Missile Woman of India” was the chief guest at the grand finale event. Here, are the winning teams and projects:

R & D Activities (Contd.)





AWARD	PROJECT TITLE	TEAM NAME	COLLEGE
PLATINUM 7 LACS	Design and development of an efficient indigenous hydroxy (HHO) gas generation system for the SI engine by dry cell electrolysis method.	Team G-Rex	Kongu Engineering College, Perundurai, Tamil Nadu
GOLD 5 LACS	Plug-in Kit for Ready Charging	Team Krenoviantz	Sri Krishna College of Engineering and Technology, Coimbatore

EMPOWERING INNOVATION: STARTUPS NURTURED THROUGH KPIT SPARKLE PLATFORM

Startup Name	Team Members	Description	Outcome
Intelligent Shutter Projector Headlights	Tanushree Vivek Chore, Tanay, Munna Nakhale	Intelligent Shutter Projector Headlights	Yes - Sparkup
Development of Aluminum polymer battery	P Kaveya, A Chandrasekaran	Development of Aluminum polymer battery.	Yes – Sparkup
Activated Carbon Battery	D Kavyadharshini, Dr. K Senthil Kumar	Developing a battery that uses activated carbon as electrodes	Yes - Sparkup
Non-Invasive Glucose Level Monitoring System	Kalaiselvan K, Mano Sundar	Using acetone, temperature, and humidity sensors instead of strips and needles for measuring the glucose level of the patient	Yes - Sparkup

KPIT SHODH AWARDS:

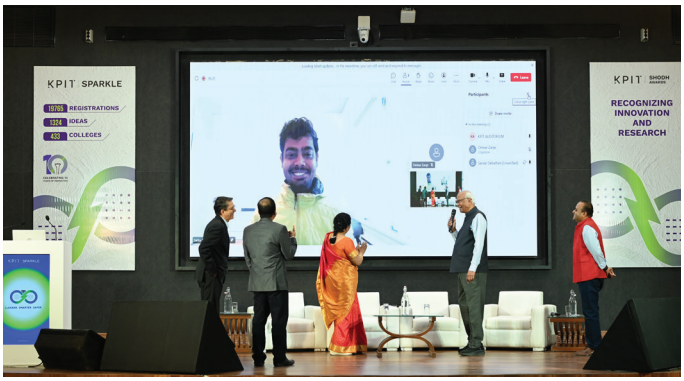
KPIT Shodh Awards is an Annual International Award program for PhD researchers to submit their thesis and win awards for outstanding research work in the field of advanced technologies.

KPIT SHODH AWARDS 2024:

This year we received over 130 entries in different categories of Sustainable Energy, Sustainable Mobility, Quantum Computing, Artificial Intelligence, New Processes, Methods and Tools in Computational Technologies (Hardware and Software), Bio-Engineering, Materials - Lightweighting. The entries were evaluated by a panel of experts from KPIT. The participants underwent a rigorous evaluation process consisting of two levels.

Those selected proceeded to present their thesis to a panel in an online meeting. From the pool of entries received, 5 finalists emerged. These finalists were then tasked with pitching their presentations to a jury comprising professionals from both industry and academia. After careful consideration, the following winners were selected:

R & D Activities (Contd.)



Groundbreaking Research Award



Best Research Award

Award	Winners' name	College	Project Name
Groundbreaking Research Award Prototype & Thesis 10L winner & 40k for Guide	Mr. Vijayakumar Kanchetla	Indian Institute of Technology, Mumbai	Dhruva: A global navigation receiver chip for NavIC, GPS, Galileo, and BeiDou
Best Research Award 9L winner & 40k for Guide	Mr. Debattam Sarkar	Jawaharlal Nehru Centre for Advanced Scientific Research	Tailoring of Chemical Bonding, Electronic Structure and Lattice Dynamics to Achieve High Thermoelectric Performance in Metal Chalcogenide

In conclusion, the KPIT Sparkle and Shodh Grand Finale was a truly inspiring event that showcased the immense talent and creativity of India's engineering students and researchers. The event was a testament to KPIT Technologies' commitment to fostering innovation and technology in the automotive and transportation industry. We look forward to seeing more such initiatives from the company in the future.

The jury members included:

For Sparkle:

- Mr. Shirish Patwardhan, Co-founder, x-CTO, KPIT Technologies
- Mr. Omkar Panse, Sr. Vice President, Practice Business Leader, KPIT Technologies
- Mr. Surjya Ghosh, Professor- CSIS, Birla Institute of Technology & Science, Pilani, Goa.

For Shodh:

- Mr. Tushar Adhikary, Technical Leader, KPIT Technologies
- Mr. Sunil Bhagwat, Professor, Director Indian Institute of Science Education and Research (IISER) Pune
- Ms. Meenal Deo, Professor, SRM Institute of Science and Technology.

ADDITIONAL SHAREHOLDERS INFORMATION

1.	**Registered and Corporate Office**	:	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune- 411057. Tel No. +91-20-6770 6000, Website: www.kpit.com.
2.	**Date of Incorporation**	:	January 08, 2018
3.	**Registration No./CIN**	:	L74999PN2018PLC174192
4.	**Date, Time and Venue of 7th AGM**	:	August 27, 2024, 10.30 a.m. through Video Conferencing/ Other Audio-Visual Means. The Notice of the AGM is being sent to the Members along with this Annual Report.
5.	**Record Date**	:	Friday, August 9, 2024
6.	**Dividend Payment Date**	:	Within the statutory time limit of 30 days subject to shareholders approval.
7.	**Financial Year**	:	April 01, 2023 - March 31, 2024.
8.	**Financial Calendar for 2024-2025 (tentative and subject to change)**		
	Financial reporting for the first quarter ending June 30, 2024	:	July 2024
	Financial reporting for the second quarter ending September 30, 2024	:	October 2024
	Financial reporting for the third quarter ending December 31, 2024	:	January/February 2025
	Financial reporting for the last quarter and year ending March 31, 2025	:	April 2025
	Annual General Meeting for the year ending March 31, 2025	:	July/August 2025
9.	**The shares of the Company are listed on the following Stock Exchanges:**		
	National Stock Exchange of India Limited	:	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. **NSE Code : KPITTECH**
	BSE Limited	:	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. **BSE Code: 542651**
	ISIN Number of the Company	:	INE04I401011

The Company has paid the Annual Listing Fee for the Financial Year 2024-25 to both the Stock Exchanges on which the shares of the Company are listed. The securities of the Company were not suspended from trading on stock exchanges during the year under review.

10. SHAREHOLDERS ARE REQUESTED TO SEND ALL SHARE TRANSFERS AND CORRESPONDENCE RELATING TO SHARES, DIVIDEND ETC. TO OUR REGISTRAR & SHARE TRANSFER AGENT ("RTA") AT:

KFin Technologies Limited, Contact Person: Ms. Rajitha Cholleti, Selenium Tower B, Plot no. 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Phone: +91 40-6716 2222, E-mail: einward.ris@kfintech.com; Website: www.kfintech.com. You can also contact Ms. Nida Deshpande, Company Secretary, Compliance Officer and Nodal Officer, No.: +91 20-6770 6000, 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:

As mandated by SEBI, the equity shares of the Company can only be issued in dematerialized form while processing service requests for issue of duplicate securities certificate, claim form unclaimed suspense account, transmission and transposition etc. A communication to this effect was sent to the shareholders. Accordingly, shareholders holding equity shares in physical form are requested to have their shares dematerialized to be able to freely transfer them.

The share transfer activities are carried out by our RTA, the details of which are given above. 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.

Additional Shareholders Information (Contd.)

12. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2024, 99.97% of the total issued share capital was held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited.

13. 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.

14. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

While the Commodity price risk is not applicable to the Company, please refer to Enterprise Risk Management Section and Management Discussion and Analysis Report for the foreign exchange risk and hedging activities.

15. PLANT LOCATIONS:

The Company being in software business, does not require manufacturing plant and has software development centres in India and abroad. The addresses of the global development centres/ offices of the Company are given in this Annual Report.

16. CREDIT RATINGS:

Information on Credit ratings of the Company are given in this Annual Report.

17. SHARES ALLOTTED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2024:

KPIT Technologies Limited Employees Welfare Trust ("the Trust") is a trust formed for employee welfare activities, which includes, administration of Company's Employee Stock Option Plan ("ESOP") Schemes. As part of its operations, the Trust is allotted shares by the Company or it acquires shares from open market and the Trust, in turn, sells such shares for administration of the ESOP schemes. The holding of shares and the sale of shares by the Trust, is done on behalf of the employees. As per provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the total number of shares under secondary acquisition held by the Trust shall at no time exceed five percent of the paid-up equity capital. To comply with these provisions, shares are allotted during the year under ESOP schemes by way of transfer of shares from trust to employee and no fresh allotments were made by the Company during the year.

18. SHAREHOLDING PATTERN AS ON MARCH 31, 2024:

Category	No. of shares held	% of total share capital
Promoters & Promoters Companies	**10,82,14,805**	**39.47**
Public	**16,30,02,079**	**59.46%**
Mutual Funds	2,28,58,663	8.34
Foreign Portfolio Investors	6,57,34,703	23.98
Bodies Corporate	61,33,572	2.24
Non-Resident Indian	39,90,693	1.46
Others	6,42,84,448	23.45
Non-Promoter – Non-Public	**29,26,924**	**1.07**
TOTAL	**27,41,43,808**	**100%**

19. AS ON MARCH 31, 2024, THE TOP TEN SHAREHOLDERS OF THE COMPANY WERE AS UNDER:

Sr. No.	Name of the Shareholder	No. of Shares held	% of total paid up share capital	Category
1	Proficient Finstock LLP	8,88,61,500	32.41	Promoter
2	Kishor Patil	1,33,45,605	4.87	Promoter
3	Massachusetts Institute of Technology	85,22,617	3.11	Foreign Portfolio Investors (Corporate)
4	HSBC Midcap Fund	49,88,393	1.82	Mutual Fund
5	Marathon Edge India Fund I	40,46,784	1.48	Alternate Investment Fund
6	Nippon Life India Trustee Ltd-A/c Nippon India ETF	37,46,950	1.37	Mutual Fund
7	ICICI Prudential Life Insurance Company Limited	36,77,080	1.34	Qualified Institutional Buyer
8	KPIT Technologies Limited Employees Welfare Trust	29,26,924	1.07	Non-Promoter-Non-Public
9	Canara Robeco Mutual Fund A/C Canara Robeco Emerging Equities	26,59,511	0.97	Mutual Fund
10	Ajay Shridhar Bhagwat	24,19,084	0.88	Promoter
	Total	**13,51,94,448**	**49.32**	

Additional Shareholders Information (Contd.)

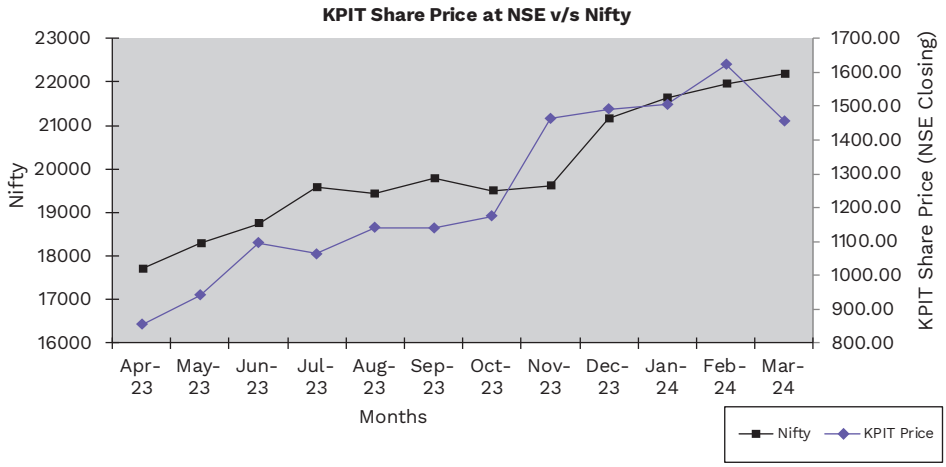
20. DISTRIBUTION SCHEDULE AS ON MARCH 31, 2024:

Quantity of Shares From – To	Shareholders Number	%	Face Value of shares held (₹)	%
1-5000	5,33,832	97.71	22,10,64,800	8.06
5001- 10000	6,619	1.21	5,00,97,140	1.83
10001- 20000	2,994	0.5	4,51,68,430	1.65
20001- 30000	819	0.15	2,06,85,620	0.75
30001- 40000	460	0.08	1,66,32,780	0.61
40001- 50000	281	0.05	1,30,38,890	0.48
50001- 100000	498	0.09	3,61,17,220	1.32
100001 & Above	832	0.15	2,33,86,33,200	85.31
Total	**5,46,335**	**100**	**2,74,14,38,080**	**100.00**

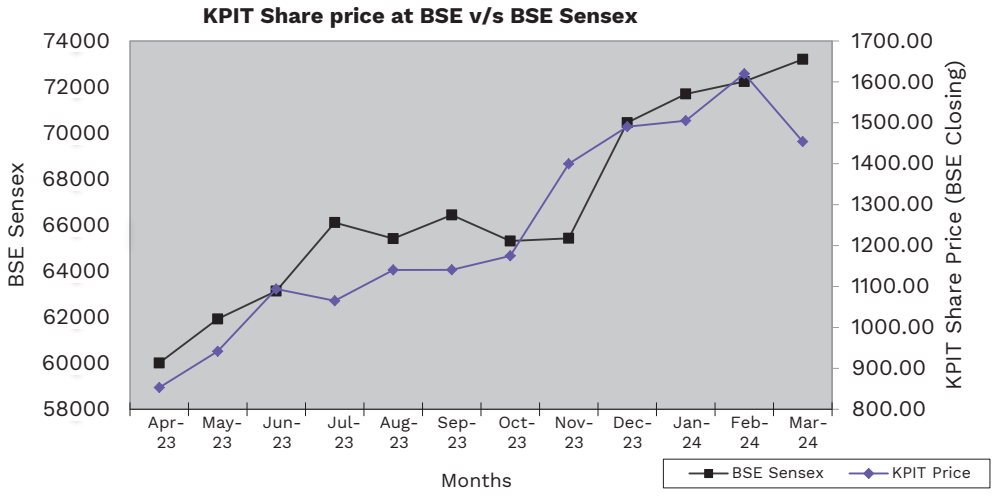
21. MONTHLY HIGH / LOW AND AVERAGE OF KPIT'S SHARE PRICES ON THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE) AND BSE LIMITED (BSE)

2023-2024	NSE				BSE				Total Volume
	High	Low	Average	Volume	High	Low	Average	Volume	NSE + BSE
April '23	948.80	741.00	853.41	6,69,39,695	948.30	740.75	852.99	35,06,491	7,04,46,186
May '23	1,073.80	874.50	941.52	3,01,76,790	1,073.00	874.10	941.57	22,79,286	3,24,56,076
June '23	1,160.00	1,030.10	1,093.88	3,05,36,555	1,159.95	1,030.20	1,093.79	23,82,751	3,29,19,306
July '23	1,109.50	961.00	1,065.16	2,92,09,414	1,109.25	961.00	1,065.04	19,82,869	3,11,92,283
Aug '23	1,202.00	1,075.05	1,140.44	2,31,14,275	1,200.00	1,074.25	1,140.40	18,53,634	2,49,67,909
Sept '23	1,219.30	1,038.00	1,140.53	1,58,42,558	1,219.45	1,038.50	1,140.69	13,85,034	1,72,27,592
Oct '23	1,254.70	1,091.20	1,175.03	2,41,83,637	1,253.90	1,065.05	1,174.86	12,63,329	2,54,46,966
Nov '23	1,640.00	1,204.00	1,400.01	3,84,53,121	1,639.60	1,205.00	1,399.68	20,47,103	4,05,00,224
Dec '23	1,558.00	1,426.10	1,490.69	2,40,76,661	1,557.10	1,424.50	1,490.44	13,70,469	2,54,47,130
Jan '24	1,584.00	1,326.55	1,505.33	2,89,84,738	1,584.40	1,326.95	1,505.08	20,90,477	3,10,75,215
Feb '24	1,764.00	1,516.40	1,620.30	2,34,12,828	1,764.00	1,517.45	1,619.85	17,09,182	2,51,22,010
March '24	1,595.90	1,328.40	1,454.76	2,37,88,903	1,594.55	1,329.00	1,454.17	11,42,942	2,49,31,845

22. SHARE PERFORMANCE CHART OF THE COMPANY IN COMPARISON TO BSE SENSEX AND NIFTY:



Additional Shareholders Information (Contd.)



23. COMPANY'S MECHANISM FOR PROHIBITION OF INSIDER TRADING:

As mandated by SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulations") and efforts of Company for good corporate governance, KPIT has robust system in place which actively tracks trading by Designated Persons including their immediate relatives and flow of the unpublished price sensitive information ("UPSI") between various designated persons & departments of the Company through a comprehensive monitoring tool. The Company has been taking various steps to create awareness amongst the insiders about Regulations and Company's Code for Prohibition of Insider Trading viz. Leadership Connect, periodical/regular communications via mails and obtaining annual declarations. These activities have created substantial awareness amongst the Designated Persons.

Pursuant to the recent SEBI Circular on framework for restricting trading by Designated Persons, the Company has taken requisite steps for the freezing of PAN of Designated Persons to prevent inadvertent trading of KPIT shares by them in window closure period. As a result of which, there is an automatic restriction on trading in Company's shares during the window closure period.

During the year under review, the Audit Committee has reviewed the compliance with the provisions of the Regulations and has verified that the systems for internal controls are adequate and operating efficiently.

The Head-Investor Relations deals with dissemination of information and disclosure of UPSI under the Policy is available on the website of the company at https://www.kpit.com/investors/policies-reports-filings/

24. UPDATION OF PAN, KYC DETAILS BY HOLDERS OF PHYSICAL SECURITIES:

Pursuant to SEBI's Master Circular for Registrars to an Issue and Share Transfer Agents dated May 17, 2023, (Master Circular), read with Circulars dated September 26, 2023, November 17, 2023 & June 10, 2024 ["SEBI Circulars"], shareholders holding securities in physical mode are requested to furnish PAN (also linked with Aadhar number), Contact details (postal address with Pin code, mobile number, e-mail ID), Bank A/c details (Bank and Branch name, bank account number, IFS code) and Specimen signature for their corresponding folio numbers. For any further information, you can reach out to RTA on the following details: Email: einward.ris@kfintech.com and Toll-free number 1800 3094 001.

Please refer 'Communication to Shareholders' forming part of this annual report for more details.

25. SEBI COMPLIANT REDRESS SYSTEM (SCORES)

SEBI vide Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, (updated as on August 04, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/ they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same. The aforesaid SEBI Circular can be viewed on the following link: https://www.kpit.com/smart-odr/.

Additional Shareholders Information (Contd.)

26. DETAILS OF DIVIDEND IN THE UNPAID / UNCLAIMED DIVIDEND ACCOUNTS AS ON MARCH 31, 2024:

(₹ in million)

Year	Balance	Date of completion of 7 years*
For the financial year 2018-2019 (Final)	0.37	October 01, 2026
For the financial year 2019-2020 (1st Interim)	0.23	March 03, 2027
For the financial year 2019-2020 (2nd Interim)	0.31	April 08, 2027
For the financial year 2020-2021 (Final)	0.47	September 28, 2028
For the financial year 2021-2022 (Interim)	0.52	March 08, 2029
For the financial year 2021-2022 (Final)	0.80	September 28, 2029
For the financial year 2022-2023 (Interim)	0.43	March 06, 2030
For the financial year 2022-2023 (Final)	0.75	October 03, 2030
For the financial year 2023-2024 (Interim)	1.07	March 04, 2031

*As per Section 124 of the Companies Act, 2013, any money transferred to the Unpaid Dividend Account of a Company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to IEPF. In view of this provision, the shareholders are kindly requested to get their pending dividend warrants, if any, pertaining to the above financial years, encashed at the earliest. Shareholders can send the unpaid dividend warrants to the RTA of the Company for the purpose of revalidation/reissue.

National Company Law Tribunal ("NCLT"), Mumbai Bench vide its Order dated November 29, 2018, approved the Composite Scheme of Arrangement amongst KPIT Technologies Limited, ("Transferee Company" or the "Demerged Company") (renamed as Birlasoft Limited) and Birlasoft (India) Limited, ("Transferor Company") and KPIT Engineering Limited, ("Resulting Company") (renamed as KPIT Technologies Limited). Pursuant to the Clause 20 of the said Composite Scheme, on January 29, 2019, the Resulting Company has allotted shares in the ratio of 1:1 to the existing shareholders of Transferee Company (record date was January 25, 2019). On the said record date, Investor Education and Protection Fund ("IEPF Authority") was holding 175,113 shares of Transferee Company, as a result of which shares of Resulting Company were allotted to the IEPF Authority in ratio 1:1. Aforementioned 175,113 shares were transferred to IEPF Authority by Transferee Company prior to the NCLT order, being unpaid, unclaimed shares liable to transfer to IEPF Authority on completion of seven years as per the provisions of section 124 of the Companies Act, 2013. The Company has declared & paid a final dividend and an interim dividend during the financial year 2023-24. The Dividend on Shares transferred to IEPF are credited with IEPF Authority. Members can claim back such dividend and shares including all benefits accruing on such shares from IEPF Authority after following the procedure prescribed in the Rules. Details of name and years of transfer are available on Transferee Company's website. The shareholders whose unclaimed dividends/shares have been transferred to IEPF may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5. The said form is available on MCA's website www.mca.gov.in.

27. DETAILS OF CORRESPONDENCE RECEIVED FROM THE SHAREHOLDERS / INVESTORS DURING THE PERIOD FROM APRIL 01, 2023, TO MARCH 31, 2024:

A. Requests:

Sr. No.	Nature of request	Opening balance as on April 01, 2023	No. of requests received	No. of requests resolved	Closing balance as on March 31, 2024
1	Clarification regarding shares	Nil	11	11	Nil
2	Correspondence/ Query relating to NSDL operations	Nil	1	1	Nil
3	Non-receipt of Annual Report	Nil	1	1	Nil
4	Non-receipt of securities	Nil	Nil	Nil	Nil
5	Non-receipt of Dividend Warrants	2	50	52	Nil
6	Non-receipt of securities after transfer	Nil	Nil	Nil	Nil
	Total	**2**	**63**	**65**	**Nil**

Additional Shareholders Information (Contd.)

B. Complaints:

Sr. No.	Nature of request	Opening balance as on April 01, 2023	No. of requests received	No. of requests resolved	Closing balance as on March 31, 2024
1	SEBI	Nil	Nil	Nil	Nil
2	BSE/NSE	Nil	1	1	Nil
3	NSDL/CDSL	Nil	Nil	Nil	Nil
4	Non-receipt of Annual Report	Nil	Nil	Nil	Nil
5	Non-receipt of Share Certificate	Nil	Nil	Nil	Nil
6	Non-receipt of Dividend	Nil	Nil	Nil	Nil
	Total	**Nil**	**1**	**1**	**Nil**

28. UNCLAIMED SHARES:

There are no unclaimed shares lying in the demat suspense account/ unclaimed suspense account of the Company at the beginning of the year i.e., April 01, 2023, and at the end of the year i.e., March 31, 2024, as per Schedule 5 (F) of SEBI LODR Regulations, 2015.

Sr. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the shares returned undelivered at the beginning of the year i.e., April 01, 2023	Nil	Nil
(ii)	Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 01, 2023, to March 31, 2024.	Nil	Nil
(iii)	Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 01, 2023, to March 31, 2024.	Nil	Nil
(iv)	Aggregate number of shareholders and the shares from (i) above, which were transferred to IEPF during the year from April 01, 2023, to March 31, 2024.	Nil	Nil
(v)	Balance aggregate number of shareholders and the outstanding shares from (i) above, at the end of the year i.e., March 31, 2024 (Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares)	Nil	Nil
(vi)	Number of shares transferred to IEPF authority during the year from April 01, 2023, to March 31, 2024. (Including shares & shareholders in (iv) above).	Nil	Nil

29. PUBLICATION OF RESULTS AND PRESENTATION MADE TO INSTITUTIONAL INVESTORS & ANALYSTS:

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

Date of Publication	Particulars	Newspaper
April 27, 2023	Audited consolidated financial results for the quarter year ended March 31, 2023.	The Financial Express & Loksatta
July 26, 2023	Unaudited consolidated financial results for the quarter ended June 30, 2023.	The Financial Express & Loksatta
October 31, 2023	Unaudited consolidated financial results for the quarter and half year ended September 30, 2023.	The Financial Express & Loksatta
January 31, 2024	Unaudited consolidated financial results for the quarter and nine months ended December 31, 2023.	The Financial Express & Loksatta

The results and presentations made to institutional investors & analysts have also been regularly uploaded in Investor section of our website, www.kpit.com.

Additional Shareholders Information (Contd.)

30. GREEN INITIATIVE IN CORPORATE GOVERNANCE

KPIT is a firm believer of and has always fostering green and inclusive growth by implementing energy conservation and taking major initiatives for green growth. As a part of CSR activities KPIT has taken various initiatives to create awareness among society and its shareholders conveying the importance of Go Green. The responsibility of protecting the earth lies in the hands of each individual and businesses. Indian government has been seriously emphasizing environmental preservation and as a part of it, Ministry of Corporate Affairs vide Section 20 of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014 allow Companies to serve documents through electronic mode thus to encouraging the green initiatives. In order to facilitate electronic communication, shareholders are requested whose email addresses are not registered with their depository participants or our Registrar and Share Transfer Agent, KFin Technologies Limited or with the Company to update their email addresses.

31. BOARD MEMBERS' PROFILES:

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

CO-FOUNDER & CHAIRMAN

Mr. S. B. (Ravi) Pandit is the Co-founder, Non-executive Director & Chairman of the Board of the Company. His vision as the co-founder of KPIT has steered the company from its inception to achieving the leadership position the Company holds today globally in the domain of automotive engineering. Over the last 30+ years, under Mr. Pandit's leadership, KPIT has emerged as a premier establishment in mobility.

Mr. Pandit, Chairman of the Board, is one of the highest supervisory roles in organizational structure. He leads the long-term strategy planning, development & implementation and drives its continuous evolution into a future-focused, and employee-centric organization. He has been instrumental in developing a resilient corporate governance framework at KPIT. His leadership and guidance have been pivotal in ensuring that the company's business success is underpinned by the highest standards of transparency and ethics.

His contributions to corporate governance encompass attracting, retaining and engaging top-notch board members, fostering a culture of excellence, and steadfastly upholding ethical standards. These efforts have garnered multiple recognition from our clients, underscoring our commitment to maintaining integrity and excellence in all aspects of our operations.

Mr. Pandit is deeply passionate about social causes with special commitment towards our environment. Under his guidance, KPIT's Corporate Social Responsibility initiatives have in the last 10+ years positively impacted over 2 million lives through 71 initiatives and created opportunities to innovate for over 75,000 students till date. Mr. Pandit's commitment to environment also resulted in development of solutions for generation of hydrogen from biomass, indigenous development of hydrogen fuel cell and indigenous development of sodium ion batteries. KPIT has won global patents in all these domains for innovative and impactful solutions. He is an only private sector member of esteemed Empowered Group, the highest decision-making body for National Green Hydrogen Mission.

Mr. Pandit's thoughts for creating a better world are best expressed in his award- winning book "Leap frogging to pole vaulting: Creating the magic of radical yet sustainable transformation" that he has co-authored along with Dr. R. A. Mashelkar. He is a frequent contributor and participant at various national and international conferences. Widely respected for integrity, innovation and dynamism, Mr. Pandit has successfully set benchmarks in corporate governance, regional cooperation, and co-innovation.

Mr. S. B. (Ravi) Pandit is a gold medallist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost and Works Accountants of India, and holds a master's degree from Sloan School of Management, MIT, Cambridge, USA. He was Awarded Honorary Doctorate in Technology by Prestigious Coventry University in recognition of his tremendous contribution to global technology and mobility sectors as well as his significant contribution in promoting UK-India business and academic relationships.

He is a voracious reader, an avid trekker and holds a warm corner in his heart for animals and birds. Mr. Pandit has been an avid bird photographer for the last two decades. He also enjoys listening to Indian classical music.

CO-FOUNDER, CEO & MANAGING DIRECTOR

Mr. Kishor Patil is the Co-founder, CEO and Managing Director of KPIT Technologies Limited – one of the largest Software Integration partners in the global automotive and Mobility industry. KPIT's vision is to Reimagine Mobility in partnership with the industry, clients, and partners for creating a cleaner, smarter, and safer world.

Mr. Patil co-founded KPIT in 1990. In 2018, the Company decided to undergo a comprehensive merger-demerger

Additional Shareholders Information (Contd.)

scheme to create a mobility-focused Company, KPIT Technologies Limited. In the span of 4 years, the Company has crossed a market capitalization of more than USD 3Bn through organic growth and global acquisitions.

Mr. Patil strategized and led the merger demerger process to reincarnate KPIT in its current avatar. Mr. Patil has since then redefined the Company strategy with a new Vision and Mission aimed at gaining global leadership in the areas of operation of the Company. His relentless focus on execution of the redefined strategy has led the Company to quadruple its revenues in the last 4 years with consistent improvement in operational margins, cash conversion and the efficiency of the overall operations of the Company. His acumen in identifying the right partners, either for acquisition or for joint go to market strategies has abetted acceleration of the strategy implementation and achievement of defined milestones as per the strategic objectives.

In 2014, Mr. Patil was honored with the CA Business Leader Award – Corporate award, by the Institute of Chartered Accountants of India (ICAI). The ICAI Awards felicitate chartered accountants who create value for their Company's stakeholders on a sustainable basis. For his excellence in entrepreneurship, he has also been honored with the Maharashtra Corporate Excellence (MAXELL) Awards 2014. In 2013, Mr. Patil was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine and was also awarded the 2013 Rotary Excellence Award. He is a prolific speaker and has presented at various national & international forums including the World Economic Forum, on topics such as entrepreneurship, innovation, building high performance organizations, and business transformation. He has won several national and international awards including the Wall Street Journal Technology Innovation Award, and Knowledge@Wharton Technovation Award. Recently, Mr. Kishor Patil has been awarded the 'Best CEO of the year' award by ET Ascent.

Mr. Patil is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost Accountants of India.

PRESIDENT & JOINT MANAGING DIRECTOR

Mr. Sachin Tikekar serves as the President, Joint Managing Director at KPIT. Having been part of the founding team, his leadership has played a crucial role in guiding KPIT's global journey over the years. In his current role, Mr. Tikekar is responsible for building and nurturing trusted partnership and relationships with clients and alliances globally. Mr. Tikekar has played a crucial role in formulating the new vision and mission for KPIT, after the demerger. He has led the strategy and blueprint of KPIT's focused client and OEM-centric approach that has delivered KPIT's industry-leading growth over the last few years. This has also propelled the KPIT brand and positioning in all stakeholders – Clients, Talent and Investor's. As an executive sponsor, he also oversees KPIT operations across 13 countries and over 28 offices.

Mr. Tikekar has led the company in various capacities. As the Chief People & Operations Officer, he was responsible for instilling KPIT's culture, enhancing global learning opportunities, and driving innovation in talent acquisition and retention. During his tenure as Chief Operating Officer in the US, Mr. Tikekar played a pivotal role in establishing KPIT's robust presence in the country. His strategic acumen extends to successfully integrating acquired entities within KPIT.

Mr. Sachin Tikekar dedicates significant time to emerging markets, with a particular focus on China. His professional interests centre around strategy and growth, aligning with his commitment to driving KPIT's sustainability vision. Collaborating with the world's vehicle manufacturers, Mr. Tikekar's mission is to contribute in making the world a safer, cleaner, and smarter world.

Mr. Sachin Tikekar pursued his master's in strategic management and international finance at Temple University. As an ardent food lover, he dubs himself as Anthony Bourdain 2.0! He is a member of the World Wildlife Federation and pursues his fascination for wildlife and nature through traveling. Prior to joining KPIT, he made significant contributions to the Strategic Positioning Group.

WHOLE-TIME DIRECTORS

Mr. Anup Sable is the Chief Technology Officer and Board Member of KPIT. In his current responsibilities, he manages the CTO function and steers the technology direction of the company and is currently also the Board Member for PathPartner Technology Private Limited, Subsidiary Company. He is also responsible for incubating the Middleware and Virtualization Practices which will be a major growth driver in future and will enhance our recognition as a trusted software and integration partner to the Automotive & Mobility industry. Mr. Sable has been with KPIT since 1994 and has led global teams at KPIT which include Electrification of Vehicles, Digital Cockpit, Autonomous Driving, AUTOSAR and Diagnostics. He was instrumental in starting the automotive business unit and developing the Cummins relationship for engineering services. A co-inventor of 4 patents in the areas of electric vehicle technology and automotive safety, he continues to remain involved in his passion for technologies hands on. Mr. Sable,

Additional Shareholders Information (Contd.)

Mechanical Engineer began his career at the Automotive Research Association of India (ARAI) as a research assistant in the Powertrain domain. In the past, he has held a position on the Board of Directors of GENIVI® Alliance, contributing towards driving open innovation and collaboration in the automotive industry. He was also a member of the NASSCOM® engineering council, where he supported the council's vision of making more and more companies in India achieve the 'Engineered in India' dream. Mr. Sable had received 'Best outgoing Mechanical Engineer' award in 1990 from College of Engineering Pune (COEP). He also represented State of Maharashtra and received Junior National Silver Medal award for rowing. He has additionally carried out board responsibilities for KPIT GmbH Germany.

Mr. Chinmay Pandit, Executive Vice President and a member of the Executive Board. He is the Head of Geography (Americas) and Chief Risk Officer of the Company as well as the Head of Commercial Vehicle vertical. As the Geography head, he is responsible for the overall strategy and growth plan of the company in the geography. This includes executive connect with key clients' leadership, business development, operations in the geography, people development and the branding and positioning of the organization as a key technology expert. Mr. Chinmay is also responsible for the profitability of the geography. In his additional role as the Vertical Head, he is responsible for driving growth as well as the company's investments for the Commercial Vehicles vertical. He is also responsible for all client engagements in the Commercial Vehicles Vertical across the globe. He has been with the Company for last 16 years.

Before heading Americas Geography, Mr. Chinmay Pandit led the Vehicle Engineering & Design practice/ business line of the Company. The Vehicle Engineering & Design practice in KPIT offers newage mechanical engineering services of design and simulation enhanced by technologies such as artificial intelligence, automation, digital twins and augmented/ virtual reality. Vehicle Engineering & Design also bring in KPIT's cross-practice expertise of software and feature development to offer mechanical and software integrated systems for the autonomous driving, infotainment and electric & conventional powertrain domains to global clients across the passenger vehicle, commercial vehicle and new mobility segment. Balancing profitability with long-term sustainability continues has been his choice of focus, for this practice/business line. The vehicle engineering & Design practice line has held the position of consistently the most profitable business line under his leadership. He also led commercial business for the company which has grown consistently higher than passenger cars in last few years.

Previously, Mr. Chinmay Pandit has worked with KPMG and Infosys. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has also done his MBA from world renowned J. L. Kellogg School of Business at the Northwestern University, USA and has been awarded 'Most Trustworthy Negotiator'. He possesses rich experience of 21 year.

INDEPENDENT DIRECTORS

Prof. Alberto Sangiovanni Vincentelli is the Buttner Chair at the Department of Electrical Engineering & Computer Sciences, University of California, Berkeley. He is a Co-founder of Cadence and Synopsys, the two leading companies in the area of Electronic Design Automation. Prof. Alberto is a member of the Board of Directors of Cadence. He was a member of the HP Strategic Technology Advisory Board, of the ST Microelectronics Advisory Board and of the Science and Technology Advisory Board of General Motors as well as a member of the Technology Advisory Council of United Technologies Corporation. He served as the Chairperson of the Strategy Committee of the Italian Strategic Fund, and as the Chairperson of the National Committee of Research Trustees for the Italian Ministry of University, Education and Scientific Research. He is the Chairperson of four High Tech Startup in UK, Netherlands and Italy. He consulted several companies such as Intel, IBM, ATT, General Electric, BMW, Mercedes, Magneti Marelli, GM, Fujitsu, Kawasaki Steel, Pirelli and Telecom Italia. Recently, Prof Alberto has received the Frontiers of Knowledge Award.

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 an 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. 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 (CII), Society of Indian Automobile Manufacturers (SIAM) and Automobile Components Manufacturers Association (ACMA) in the past.

Additional Shareholders Information (Contd.)

Aside from his board and trust memberships, Mr. Talaulicar is engaged as an advisor to companies and a start-up. He is a part time advisor and lecturer at the SP Jain Institute of Management & Research. He is funding the Usha Jaivant Foundation to educate financially disadvantaged rural youth through college and educating them about important aspects of spirituality, values, and life skills.

Mr. B V R Subbu is an automotive industry expert and a widely acknowledged thought leader. He holds a post graduate degree in Economics from Jawaharlal Nehru University and a post graduate diploma from the Indian Institute of Foreign Trade. He was formerly the President of Hyundai Motors India. In his early career he was extensively involved with Tata Motors holding various responsibilities in Tata Motors' Commercial Vehicles and Multi Utility Vehicles businesses.

Ms. Bhavna Doshi, a founding partner of Bhavna Doshi Associates LLP, a boutique tax, accounting and regulatory advisory firm, is former partner of KPMG member firm in India. With specialization in the fields of taxation and corporate restructuring, she has been providing advisory services to national and multi-national entities for over 30 years. She has been qualified as a Chartered Accountant in 1976 ranking 2nd on the Merit List and holds master's degree in commerce from the University of Mumbai.

Ms. Bhavna Doshi serves as independent director on Boards of several listed companies.

Ms. Bhavna Doshi was elected to the Council of the Institute of Chartered Accountants of India (ICAI) for four terms of three years each. ICAI is body established for development and regulation of profession of accountancy in India. She has chaired the Accounting Standards Board (which sets accounting standards), Research, Vision 2021, and other Committees of ICAI. She was also member of a group supporting Tax Administration Reform Commission chaired by Dr Parthsarathy Shome. She has served as a member of the Government Accounting Standards Advisory Board set up by the Controller and Auditor General of India. She was a Member of Compliance Advisory Panel of International Federation of Accountants, headquartered in New York.

Ms. Bhavna Doshi was President of the Indian Merchants' Chamber and is actively associated with its activities. She, during her Presidentship, established "IMC Inclusive Innovation Awards" to recognize work of the grass root innovators which meet the criteria of "affordable excellence". Ms. Bhavna Doshi is currently member of CII Corporate Governance Committee and Member of Managing Committee of ASSOCHAM.

Ms. Bhavna Doshi is a Board Member of ICAI Accounting Research Foundation and also of Atal Innovation Centre, NMIMS. She serves as member of Board of Studies of Narsee Monjee College of Commerce and Economics (Autonomous).

Ms. Bhavna Doshi is a regular faculty at programs organized by professional institutes and business chambers, contributes articles and also delivers lectures abroad.

Woman and child empowerment are very close to her heart, and she takes out time for social activities.

Ms. Bhavna Doshi has travelled extensively within and outside of India.

Prof. Rajiv Lal is the Stanley Roth, Sr. Professor of Retailing at Harvard Business School. He is currently teaching the core Marketing course in the MBA program. Prior to this assignment, he developed and taught an elective MBA course on the Business of Smart Connected Products/IOT. He has been responsible for the retailing curriculum and has served as the course head for Marketing, required study in the first year of the MBA program. Prof. Lal also teaches in several Executive Education programs, has previously served as the Faculty Chair for the General Management Program, and the program on Building and Leading a Customer Centric Organization.

Prof. Lal was a Professor at the Graduate School of Business at Stanford University beginning in 1982. He was the Thomas Henry Carroll Ford Foundation Visiting Professor at Harvard Business School from 1997-98. He was the Visiting Professor of Marketing at INSEAD, France in 1986, 1988, 1992, and 1993. He did his undergraduate work in Mechanical Engineering at the Indian Institute of Technology at Kanpur, India and received his Ph.D. in Industrial Administration from Carnegie-Mellon University.

Prof. Lal's current research concerns the opportunities and challenges in building a Business around Smart Connected products/IOT. Working with a large number of companies, his work explores why IOT remains an unfulfilled promise and attributes most of the reasons to the unique difficulties in adoption and monetization of businesses where data is the key ingredient.

His book "Retail Revolution: Will Your Store Survive" is based on many years of extensive field research focusing on the viability of brick-and-mortar stores facing the onslaught of on-line competition. His past work has explored successful retail strategies for global expansion and has written extensively on the impact of using the Internet as a channel of distribution on a

Additional Shareholders Information (Contd.)

retailer's pricing, merchandising, and branding strategy. His earlier work in retailing studies the impact of competition between different retail formats, such as EDLP and Hi-Lo grocers. He has also studied the consequences of grocery retailers' increasing use of store brands on store loyalty and its implications for packaged goods manufacturers. In addition, he has studied how to build and sustain customer-centric retail organizations.

Prof. Lal's earlier research focused on pricing, trade promotions, and salesforce compensation plans. The work on salesforce compensation plans originated with his dissertation research, which won the award for the best paper published in Marketing Science and Management Science in 1985. A subsequent article, also developed from his thesis, received an honorable mention for the same award in 1986. He has also studied compensation plans used by German salesforces.

His work in the area of pricing and promotions has been equally well recognized. Two of his articles were among the finalists for the John D. C. Little award for the best paper published in Management Science and Marketing Science in 1990. One of these articles, co-authored with Jagmohan Raju and V. Srinivasan on the impact of brand loyalty on price promotions, has been awarded the Frank Bass award for the best dissertation paper.

Prof. Lal's published work includes Retail Revolution: Will Your Brick-and-Mortar Store Survive?, "Retail Doesn't Cross Borders: Here's Why and What to do About it" in Harvard Business Review, "Retailing Revolution: Category Killers on the Brink" in HBS Working Knowledge, and Marketing Management: Text and Cases. He has published more than twenty-five articles in academic journals and more than 80 cases and other teaching materials. He has applied his academic frameworks and industry knowledge in much of his research and many of his consulting projects.

Prof. Lal has worked on a variety of such projects with a wide range of companies, including Citigroup, Citizens Bank, American Family Insurance, Philips, GE, PTC, John Deere, Standard Life Plc, Credit Suisse, Stop & Shop, Ito-Yokado, Best Buy, Stride Rite Corporation, Oliver Wyman and Company, Fleming Companies, Nordstrom, Microsoft, Kellogg, Sara Lee D/E, Novartis Pharmaceuticals, Callaway Golf Company, Staples, and other well-known companies on strategy development and execution.

Mr. Srinath Batni holds a Bachelor's degree in Mechanical Engineering from Mysore University and a Master's degree in Mechanical Engineering from the Indian Institute of Science, Bangalore. He started his career with BHEL, a heavy engineering manufacturing Company, in the field of Design and R&D as an engineer trainee.

During the early eighties, with the advent of mainframe computers in business enterprises, he shifted focus to business systems domain. During this period, he was the member of the team responsible for designing and implementing enterprise wise material planning system using network database on ICL mainframe.

Mr. Batni took up the responsibility of Head of technical support for marketing the Bull main frames at PSI Data Systems Ltd when banks started automating the processes. His responsibility included technical bidding / sales, benchmarking and training the clients on systems implementation. After a brief period of two years, he joined Infosys Technologies Ltd as a Project Manager in its nascent stage. He held various positions and responsible for project management, managing the growth and preparing for scaling up through various initiatives. He was formally inducted to the board as an executive member of the board in the year 2000. He served as Head of Global Delivery- IT & Quality until retirement in the year 2014. He was also responsible for starting Infosys operation in China and Australia. During this period, he also served as the member of the executive committee of NASSCOM – the software industry body, Trustee of the Infosys Foundation, Board member of Infosys China & Australia.

Mr. Batni served as an Independent Director, Chairman of the Nomination and Remuneration Committee & Member of Audit Committee on the Board of AXISCADES Technologies Limited (2014-2019) and Global Edge Software Ltd (2014-2017).

Mr. Batni is presently serving as,

- Co-founder & Director of Axilor Ventures Pvt Ltd, a start-up incubation and early-stage funding Company. Axilor helps early-stage startups to "win against odds" in the areas of health care, environment & renewable energy, Deep tech, B2B ecommerce & Agri tech.
- Independent Director, Chairman of the Nomination and Remuneration Committee & Member of the Audit committee on the Board of Cigniti Technologies Limited, Hyderabad.
- Chairman, India Advisory Board of Viterbi School of Engineering, University of Southern California.
- Board Member of the management of National Institute of Engineering Mysore, alma mater.
- Trustee of Infosys Science Foundation focused in the field of science education.

KPIT'S GLOBAL PRESENCE

INDIA OFFICES

Registered & Corporate Office

Plot No. 17, Rajiv Gandhi Infotech Park,
MIDC-SEZ, Phase - III, Maan, Taluka-Mulshi,
Hinjawadi, Pune 411057, Maharashtra, India.
Phone: +91-20-6770 6000.

Software Development Centres

SEZ Premises

SEZ Unit - III, IT-9, Ground Floor,
Plot 2, Blueridge Township, Qubix Business Park SEZ,
Nr Rajiv Gandhi infotech Park,
MIDC, Phase - I, Hinjawadi,
Pune - 411057, Maharashtra, India.
Phone: +91-20-4203 7000.

No. 20 & 21, B1 ATP-2nd floor, West wing,
RMZ Ecoworld Infrastructure Private Limited, SEZ,
Sarjapur Outer Ring Road,
Deverabeesanahalli, Bengaluru – 560103,
Karnataka, India.
Phone: +91 80 6606 6000/6141 9000
Fax: +91 80 6606 6001

Unit – II, Plot B, Campus 5B, 9th Floor,
RMZ Ecoworld Infrastructure Private Limited, SEZ,
Devarabeesanahalli Village, Sarjapur Outer Ring Road,
Bengaluru - 560103, Karnataka, India.
Phone: +91-80-6606 6262

Other Premises

Plot No. 2, Survey. No. 288,
Hissa No. 1 to 4, Village Maan,
Taluka Mulshi, Pune- 411057, Maharashtra, India.

#16, PSS Plaza, 1st and 2nd Floor,
New Thippasandra Main Road,
HAL III Stage, Bangalore 560075.

INDIQUBE MINIFOREST,
2nd floor, situated at Municipal No. 58, 58/1,
1st Main Road, J. P. Nagar 3rd Phase,
Bengaluru, Karnataka -560076.

Smartworks Coworking Spaces Private Limited,
Olympia National Towers,
5th Floor, Block 3, A3 & A4,
North phase, Guindy Industrial Estate,
Chennai – 600032.

4th Floor, Tower 2, Door No. XIV/396-T,
Trans Asia Corporate Park,
Seaport Airport Road,
Chittethukara, Kakkanad, Cochin,
Kerala, 682037.

Research and Development Unit

SEZ Unit – II, Plot No. 17, Rajiv Gandhi Infotech Park,
MIDC-SEZ, Phase - III, Maan, Taluka-Mulshi,
Hinjawadi, Pune 411057. Maharashtra, India.
Phone: +91-20-6770 6000.

OVERSEAS OFFICES

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Suite 100,
Novi, MI 48375.
Phone: +248-378-1070

48834 Kato Road,
Suite 115A, Fremont,
CA 94538, USA.

41000 Woodward Ave,
East Bldg - Suite 350,
Bloomfield Hills, MI 48304.
Phone: + 1 408-355-8163

1660 Airport Road,
Waterford, MI 48327 USA.
Phone: +1 248 821 8699

Brazil

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6195, 9º andar,
conjunto 914 – Vila Andrade
CEP: 05724-003 – SÃO PAULO - SP

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Sion, Belo Horizonte/MG cep: 30315-270

Rua Dona Maria Cesar,
170, sala 0203 Edif Luciano Costa,
Recife, Recife/PE. Cep: 50030-140

United Kingdom

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Phone: +44-24-7615-8631

21, The Quadrant, Abingdon Science Park,
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Sweden

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114 38 Stockholm.
Phone: +44-24-7615-8631

KPIT's global presence (Contd.)

Germany

Frankfurter Ring 105b,
80807 Munich.
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Fax: +49 -89-322-9966 - 999

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Frankfurt am Main,
Frankfurt, Germany

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Phone +49 89 2000724 10

Frankfurter Ring 81/81a and Taunusstr. 38,
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Tokyo, Japan 103-0023.
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Fax: +03-5205-2434

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No. 1113, UspaceA, 660,
DaewangPangyo-ro, GyeongGi-do,
13494, South Korea,
Phone: +82-31-606-9996

Italy

Galleria Pattari,
2 (Piazza Duomo) 20122,
Milan, Italy.
Phone: +44-24-7615-8631

Thailand

Rungrojthanakul Building, 14th Floor,
44/1 Ratchadapisek Road, Huay Kwang District,
Bangkok 10310, Thailand.
Phone: +66 02-6636096
Fax: +66 02-6636099

Representative office in Vietnam

4th Floor, Spaces Belvedere Building,
No. 28A, Trần Hưng Đạo Street,
Phan Chu Trinh Ward,
Hoàn Kiếm District,
Hanoi City.
Phone: +84 024 7101 4145

France

16 avenue de la Grande Armée 75017,
Paris, France.

Spain

Avda. de Madrid, 183 – Planta 2,
36214, Vigo, Pontevedra, Spain.
Phone: +34 986599860

Av Via Augusta, 15,
Sant Cugat del Vallès,
08174, Barcelona,
Spain.

FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Members of KPIT Technologies Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of KPIT Technologies Limited (the "Company"), its Employee Stock Option Plan (ESOP) trust which comprise the standalone balance sheet as at 31 March 2024, 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTER

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.

Key audit matter - Revenue recognition in respect of fixed price contract

See Note 35 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company engages into fixed-price contracts with customers. In respect of fixed- price contracts, revenue is recognized using percentage of completion computed as per the input method. This is based on the Company's estimate of contract costs and efforts for completion of contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Contract estimates are formed by the Company considering the following: • Application of the revenue recognition accounting standard is complex. It involves a number of key judgements and estimates. One of the key estimate is total cost-to completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation. • There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. • These contracts may involve onerous obligations on the Company requiring critical estimates to be made.	Our audit procedures in this area included the following: • Obtained an understanding of the systems, processes and controls implemented by the Company and evaluating the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue. • Tested the design and operating effectiveness of key IT controls over IT environment in which the business systems operate. This includes access controls, program change controls, program development controls and IT operation controls; • For selected samples of contracts, we inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by: i. Evaluating the identification of performance obligations. ii. Agreeing the transaction price to the underlying contracts. iii. Inspecting the approval of the estimates of cost to complete.

The key audit matter	How the matter was addressed in our audit
• Contracts are subject to modification to account for changes in contract specification and requirements. • At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet representing the work completed, costs incurred and accrued. Considering the significant estimate involved in recognition of revenue based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter. (Refer note 2.3(i), 3.12 and 35 to the standalone financial statements)	iv. Challenging the Company's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract. v. Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on a sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. vi. Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115. vii. Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

MANAGEMENT'S AND BOARD OF DIRECTORS'/ BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ Board of Trustees of the ESOP Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/ ESOP trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability of each company/ ESOP trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Board of Trustees either intends to liquidate the Company/ ESOP trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of each company/ ESOP trust.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of ESOP trust of the Company to express an opinion on the standalone financial statements. For the ESOP trust included in the standalone financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements of one ESOP trust included in the standalone financial statements of the Company whose financial statements reflects total assets (before consolidation adjustments) of ₹ 633.24 million as at 31 March 2024, total revenue (before consolidation adjustments) of ₹ Nil million and net cash flows (before consolidation adjustments) amounting to ₹ 57.63 million for the year ended on that date, as considered in the standalone financial statements. The financial statements of this ESOP trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of ESOP trust, is based solely on the report of such other auditor.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such ESOP trust as was audited by other auditor, as noted in the "Other 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.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the report of the other auditor except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 ESOP trust, as noted in the "Other Matters" paragraph:

    a. The Company does not have any pending litigations which would impact its financial position.

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

    c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. (i) The management of the Company has represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 49 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 19.8 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining all books of accounts.
- The feature of recording audit trail (edit log) facility was not enabled for certain fields and tables at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables, Payroll, Financial reporting, Property, plant and equipments, Purchase and payables.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Also refer note 51 to the standalone financial statements.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:24113896BKFIFO6258

Place: Pune
Date: 29 April 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering Product Engineering solutions and services to Automobile and Mobility sector. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clause 3(iii)(a) and clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company. The Company has made investments in other companies. The Company has not made any investments in firms, limited liability partnership or any other parties.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not extended any guarantee, security or given any loans or advances in the nature of loans.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delay in one case of Professional tax of 3 days.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax and Income- Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Goods and Service Tax, 2017	Goods and Service Tax	3,141,113	FY 2019-20	Commissioner of Appeals GST	Including interest and penalty
Income Tax Act, 1961	Income Tax	32,977,235	AY 2020-21	CIT (Appeals)	Reduction in MAT credit

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

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

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:24113896BKFIFO6258

Place: Pune
Date: 29 April 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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 Act

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

OPINION

We have audited the internal financial controls with reference to financial statements of KPIT Technologies Limited ("the Company") as of 31 March 2024 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 2024, based on the internal financial controls with reference to financial statements criteria established by the Company 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES 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 the 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 Act.

AUDITOR'S 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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
ICAI UDIN:24113896BKFIFO6258

Place: Pune
Date: 29 April 2024

BALANCE SHEET

(Amount in ₹ million)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,866.94	1,723.92
Right-of-use assets	5	942.71	828.97
Capital work-in-progress	6	5.12	48.75
Other intangible assets	7	305.20	248.53
Intangible assets under development	8	0.28	268.77
Financial assets			
Investments	9	9,921.64	8,091.46
Other financial assets	10	438.34	329.15
Income tax assets (net)		78.99	130.54
Deferred tax assets (net)	11	333.46	556.88
Other non-current assets	12	7.16	7.98
		13,899.84	**12,234.95**
Current assets			
Financial assets			
Investments	13	478.26	351.81
Trade receivables	14		
Billed		3,494.73	3,554.64
Unbilled		727.78	690.58
Cash and cash equivalents	15	998.24	713.05
Bank balances other than cash and cash equivalents above	16	224.79	236.54
Other financial assets	17	1,314.19	185.95
Other current assets	18	388.74	245.97
		7,626.73	**5,978.54**
TOTAL ASSETS		**21,526.57**	**18,213.49**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	2,712.17	2,703.46
Other equity		13,308.28	11,133.80
Total equity		**16,020.45**	**13,837.26**

BALANCE SHEET

(Amount in ₹ million)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	0.59	2.26
Lease liabilities	40	460.34	431.27
Other financial liabilities	21	-	93.17
Provisions	22	462.40	317.35
		923.33	**844.05**
Current liabilities			
Financial liabilities			
Borrowings	23	1.67	3.81
Lease liabilities	40	216.05	130.04
Trade payables	24		
(i) Total outstanding dues of micro enterprises and small enterprises		16.25	3.14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		852.01	506.75
Other financial liabilities	25	1,423.47	1,493.72
Other current liabilities	26	1,694.04	1,049.54
Provisions	27	357.72	274.52
Income tax liabilities (net)		21.58	70.66
		4,582.79	**3,532.18**
TOTAL EQUITY AND LIABILITIES		**21,526.57**	**18,213.49**

See accompanying notes to the standalone financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	28	20,166.02	15,164.29
Other income	29	686.13	423.56
Total income		**20,852.15**	**15,587.85**
Expenses			
Employee benefits expense	30	12,411.12	8,873.32
Finance costs	31	145.54	146.79
Depreciation and amortization expense	32	1,028.54	905.17
Other expenses	33	2,886.48	2,007.04
Total expenses		**16,471.68**	**11,932.32**
Profit before tax		**4,380.47**	**3,655.53**
Tax expense	38		
Current tax		1,085.31	857.68
Deferred tax		26.88	(3.76)
Total tax expense		**1,112.19**	**853.92**
Profit for the year		**3,268.28**	**2,801.61**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	36	(64.36)	(88.38)
Income tax on items that will not be reclassified subsequently to profit or loss		22.49	30.88
Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(loss) on hedging instruments in cash flow hedges	34	208.37	(162.21)
Income tax on items that will be reclassified subsequently to profit or loss		(72.81)	56.68
Total other comprehensive income/(loss)		**93.69**	**(163.03)**
Total comprehensive income for the year		**3,361.97**	**2,638.58**
Earnings per equity share (face value per share ₹ 10 each)	39		
Basic		12.06	10.37
Diluted		11.97	10.26

See accompanying notes to the standalone financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

A EQUITY SHARE CAPITAL (REFER NOTE 19)

Balance as at 1 April 2023	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
2,703.46	-	2,703.46	8.71	2,712.17

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
2,700.17	-	2,700.17	3.29	2,703.46

B OTHER EQUITY

	Reserves and surplus					Items of other comprehensive income		Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Special Economic Zone Re-investment reserve	Effective portion of cash flow hedges (Refer note 34.3)	Re-measurement of net defined benefit plan (Refer note 36)	
Balance as at 1 April 2023	**2,220.91**	**106.31**	**8,651.95**	**270.98**	**130.05**	**(48.41)**	**(197.99)**	**11,133.80**
Profit for the year	-	-	3,268.28	-	-	-	-	3,268.28
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	135.56	(41.87)	93.69
Total comprehensive income/(loss) for the year	**-**	**-**	**3,268.28**	**-**	**-**	**135.56**	**(41.87)**	**3,361.97**
Others								
Dividends (Refer note 19.8)	-	-	(1,287.10)	-	-	-	-	(1,287.10)
Transfer to general reserve from share based payment reserve	-	59.51	-	(59.51)	-	-	-	-
Accumulated surplus of employee welfare trust	-	-	8.34	-	-	-	-	8.34
Share based payment to employees (net)	-	-	-	91.27	-	-	-	91.27
Balance as at 31 March 2024	**2,220.91**	**165.82**	**10,641.47**	**302.74**	**130.05**	**87.15**	**(239.86)**	**13,308.28**
Balance as at 1 April 2022	**2,220.91**	**75.97**	**7,086.46**	**188.29**	**-**	**57.12**	**(140.49)**	**9,488.26**
Profit for the year	-	-	2,801.61	-	-	-	-	2,801.61
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	(105.53)	(57.50)	(163.03)
Total comprehensive income/(loss) for the year	**-**	**-**	**2,801.61**	**-**	**-**	**(105.53)**	**(57.50)**	**2,638.58**
Others								
Dividends (Refer note 19.8)	-	-	(891.63)	-	-	-	-	(891.63)
Transfer to general reserve from share based payment reserve	-	30.34	-	(30.34)	-	-	-	-
Transfer to Special Economic Zone Re-investment reserve account from retained earnings			(130.05)		130.05			-
Accumulated surplus of employee welfare trust	-	-	(214.44)	-	-	-	-	(214.44)
Share based payment to employees (net)	-	-	-	113.03	-	-	-	113.03
Balance as at 31 March 2023	**2,220.91**	**106.31**	**8,651.95**	**270.98**	**130.05**	**(48.41)**	**(197.99)**	**11,133.80**

STATEMENT OF CHANGES IN EQUITY

NATURE AND PURPOSE OF RESERVES:

i) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve. Any surplus or shortfall on account of merger/demerger within common control is also transferred to capital reserve. This reserve is not available for distribution of dividend.

ii) General reserve

During the year ended 31 March 2019, general reserve amounting to ₹ 34.38 million was transferred to the Company on account of composite scheme of arrangement - demerger scheme. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

iii) Retained earnings

Retained earnings comprises of the undistributed accumulated earnings of the Company as on the balance sheet date. This amount can be used to distribute dividend to equity shareholders.

iv) Share based payment reserve

Share based payment reserve is used to record the fair value of equity-settled share-based payment transactions with employees over the vesting period. This reserve is utilised upon exercise of options. Refer note 37 for the details of employee stock options and share purchase schemes.

v) Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment Reserve was created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilized by the Company for acquiring new assets for the purpose of its business as per the terms of the Sec 10AA(2) of the Income-tax Act, 1961.

vi) Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

See accompanying notes to the standalone financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

STATEMENT OF CASH FLOWS

(Amount in ₹ million)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	4,380.47	3,655.53
	Adjustments for:		
	Depreciation and amortization expense	1,028.54	905.17
	Finance costs	145.54	146.79
	Interest income	(61.73)	(120.89)
	Dividend income	(0.58)	(1.41)
	Property, plant and equipments and other intangible assets written off	-	4.96
	Net gain on disposal of property, plant and equipments	(394.64)	(6.70)
	Unrealised (gain)/loss on investment carried at fair value through profit and loss (net)	(23.98)	25.68
	Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss	36.95	-
	Realised gain on investment carried at fair value through profit and loss (net)	(10.78)	(59.54)
	Provision for doubtful debts and advances (net)	108.37	38.91
	Bad debts written off	4.39	7.18
	Share based compensation expenses	44.83	60.12
	Net unrealised foreign exchange loss/(gain)	19.94	(46.13)
	Gain on sale of investment in an associate	-	(16.60)
	Others	(0.55)	(7.18)
	Operating profit before working capital changes	**5,276.77**	**4,585.89**
	Adjustments for changes in working capital:		
	Trade receivables	(132.65)	(1,575.90)
	Other financials assets and other assets	(33.70)	(15.27)
	Trade payables	358.57	(69.13)
	Other financial liabilities, other liabilities and provisions	590.72	(243.86)
	Cash generated from operations	6,059.71	2,681.73
	Income taxes paid (net)	(936.56)	(642.65)
	Net cash generated from operating activities (A)	**5,123.15**	**2,039.08**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(1,217.75)	(1,117.39)
	Proceeds from sale of property, plant and equipment	0.43	13.46
	Investment in subsidiaries	(1,799.05)	(4,050.95)
	Investment in an associate	(271.20)	-
	Proceeds from sale of investment in an associate	-	19.13
	Investment in mutual fund	(3,725.01)	(5,170.00)
	Proceeds from sale of investment in mutual fund	3,605.64	5,846.25
	Proceed from sale of investments carried at fair value through profit and loss	27.68	10.29
	Interest received	20.58	186.94
	Dividend received	1.20	0.41
	Amount placed in fixed deposits	(2,781.00)	(4,547.10)
	Amount realized from fixed deposits	2,826.21	8,352.11
	Net cash used in investing activities (B)	**(3,312.27)**	**(456.85)**

STATEMENT OF CASH FLOWS

(Amount in ₹ million)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.26)	(3.83)
	Repayment of long term loan from other than banks*	-	(15.00)
	Payment of lease liabilities*	(223.05)	(188.14)
	Proceeds from working capital loan*	4,361.19	962.48
	Repayment of working capital loan*	(4,361.19)	(962.48)
	Payments for shares purchased by Employee Welfare Trust	-	(228.43)
	Proceeds from shares issued by Employee Welfare Trust	17.05	17.28
	Dividend paid	(1,287.10)	(891.63)
	Interest and finance charges paid	(49.81)	(9.13)
	Net cash used in financing activities (C)	**(1,546.17)**	**(1,318.88)**
D	**Exchange differences on translation of foreign currency cash and cash equivalents**	**20.48**	**(8.87)**
	Net increase in cash and cash equivalents (A + B + C + D)	**285.19**	**254.48**
	Cash and cash equivalents at close of the year (Refer note 15)	998.24	713.05
	Cash and cash equivalents at beginning of the year	713.05	458.57
	Cash surplus for the year	**285.19**	**254.48**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2024:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 40)
Balance at the start of the year	6.07	-	561.31
Add: Cash inflow (proceeds of working capital loans from banks)	-	4,361.19	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	3.26	4,361.19	223.05
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.55)	-	338.13
Closing balance at the end of the year	2.26	-	676.39

STATEMENT OF CASH FLOWS

***Reconciliation of liabilities from financing activities for the year ended 31 March 2023:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 40)
Balance at the start of the year	25.80	-	795.01
Add: Cash inflow (proceeds of working capital loans from banks)	-	962.48	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	18.83	962.48	188.14
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.90)	-	(45.56)
Closing balance at the end of the year	6.07	-	561.31

See accompanying notes to the standalone financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2024

1 COMPANY OVERVIEW

KPIT Technologies Limited ("the Company") (collectively with an employee welfare trust), is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 12,000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, the Company accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Japan, China, Thailand and India, the Company works with leaders in automotive and mobility and is present where the ecosystem is transforming.

The Company is a public limited company incorporated in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company has its registered office at Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Taluka - Mulshi, Pune – 411057, Maharashtra, India and it has subsidiaries across multiple geographies.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 29 April 2024.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ("Act") and other relevant provisions of the Act.

These financial statements are presented in millions of Indian rupees (₹) rounded off to two decimal places, except per share information, unless otherwise stated.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 29 April 2024.

2.2 BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

These financial statements have been prepared on the historical cost basis, except for share based payments, defined benefit obligations and certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.3 USE OF ESTIMATES

The preparation of standalone financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognised in the year in which the results are known/materialized.

Critical accounting estimates

i. Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to determine the costs expended to date as a proportion of the total estimated costs to be expended. Costs expended have been used to measure progress towards completion as generally it is estimated that there is a direct relationship between input and output in respect of work completed.

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

ii. Income tax

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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iii. Valuation of deferred tax assets

The Company reviews carrying amount of deferred tax asset at the end of each reporting period. The policy has been explained under note 3.19.

iv. Impairment of investment in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Statement of Profit and Loss. Significant judgements and estimates are involved while computing the recoverable amount.

v. Measurement of defined benefit obligation, key actuarial assumptions and share based payments

Information about assumptions and estimation uncertainties in respect of defined benefit obligation and share based payments are included in note 36 and 37.

vi. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities.

vii. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind-AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Company and affects whether it is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

3 MATERIAL ACCOUNTING POLICIES

3.1 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:

i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Company's normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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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.

3.2 FOREIGN CURRENCY TRANSACTIONS

i. Functional and presentation currency

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

ii. Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realised exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

3.3 FINANCIAL INSTRUMENTS

i. Initial recognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

ii. Subsequent measurement

a) Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognised in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company does not use derivative financial instruments for speculative purposes. The counter-party to the Company's foreign currency forward contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

Cash flow hedge

The use of hedging instruments is governed by the Company's policy approved by the Board of Directors, which provides written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitments and highly probable forecast transactions.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions any cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve is retained until the forecast transaction occurs. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognised in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

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

c) Treasury Shares

When any entity within the Group (KPIT Technologies Limited and its subsidiaries) purchases the Company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from other equity.

iii. Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial

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liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options, where Black and Scholes options pricing model is used. The method of assessing fair value results in general approximation of value and such value may never actually be realised.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.4 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives , then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Capital work-in-progress and Capital advances

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed under Other Non-Current Assets.

Depreciation

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.

Improvements to leased premises are depreciated over the remaining non-cancellable period of the lease.

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount

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of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

3.5 LEASES

A contract, or part of a contract, is a lease if that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company initially measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments that depend on an index or a rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind-AS 116 to short-term leases of

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all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Company applies Ind-AS 115 Revenue to allocate the consideration in the contract.

3.6 INTANGIBLE ASSETS

Recognition and measurement

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation

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

Capitalised development costs are amortised over a period of 3 to 4 years.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible fixed assets are derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

3.7 IMPAIRMENT

i. Financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind-AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade

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receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recorded as an impairment gain or loss in the Statement of Profit and Loss.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. While assessing the recoverability of receivables including unbilled receivables, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company expects to recover the carrying amount of these assets.

ii. Non- financial assets

Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

3.8 INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries are measured at cost less impairment.

3.9 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.

3.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognises provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

No provision is recognised for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future

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events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognised because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognised in the standalone financial statements since this may result in the recognition of income that may never be realised.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognises any impairment loss on the assets associated with that contract.

Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery.

The Company accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the historical experience and current estimates.

3.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a short maturity of three months or less from the date of investment.

3.12 REVENUE RECOGNITION

The Company derives revenues primarily from providing engineering services which includes design engineering services, embedded software development with its related services and from the sale of licenses and products.

The following is the summary of significant accounting policies related to revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

Arrangements with customers for such engineering and its related services are bifurcated into following key categories:

a. Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognized as unbilled revenue at the end of the reporting period.

b. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

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c. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

d. Revenue from internally developed software product licenses where the customer obtains a “right to use” the license is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

e. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

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

The following are the details of key significant accounting policies related to revenue recognition for all the above mentioned categories:

a. Revenue in excess of invoicing is classified either as contract asset (unbilled revenue) or financial asset (unbilled revenue), while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b. Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time. Whereas, it is classified as financial asset when such right to consideration in exchange for goods or services is conditional only on passage of time.

c. Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

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

e. When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

f. In accordance with Ind-AS 37, provision for onerous contract/ estimated losses, if any, on uncompleted contracts are recorded in a period in which such losses become probable based on the expected contract estimates at the period end date. The Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

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

h. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services(ATS). The Company has applied the principles under Ind-AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts is allocated to each performance obligation of the contract based on its relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customised as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-

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of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. ATS revenue is recognised ratably over the period in which the services are rendered.

Significant judgments in revenue recognition:

a. The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b. Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c. The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

d. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

e. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. The Company uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

3.13 OTHER INCOME

Other income primarily consist of interest income, dividend income, net gain on investment and net foreign exchange gain. Interest income is recognised using the effective interest method. Dividend income is recognised when right to receive payment is established.

3.14 FINANCE COSTS

Finance costs include interest cost on borrowings, lease liabilities and other financial instruments. Borrowing costs are recognised using effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2024

3.15 EMPLOYEE BENEFITS

i. Defined benefit plan

The Company's gratuity scheme is a defined benefit plan (funded). For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss. Past service cost is recognised immediately to the extent that the benefits are already vested or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

ii. Defined contribution plan

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

iii. Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurement gains/losses are recognised in the Statement of Profit and Loss in the period in which they arise.

iv. Other employee benefits

The undiscounted amount of short-term employee benefits and discounted amount of long term employee benefit, expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

3.16 RESEARCH AND DEVELOPMENT:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognised as an intangible asset in accordance with policy defined in 3.6.

3.17 EMPLOYEE STOCK OPTION

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognises employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

When the terms of the share-based payment arrangement are modified, the minimum expense recognised is the expense had the terms not been modified. Additional expense is recognised on modification that increase the total fair value

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31st March, 2024

of the share-based payment arrangement or are otherwise beneficial to the employee. Where the grant of equity instruments is cancelled by the entity, the remaining fair value is recognised immediately in the Statement of profit and Loss.

For the stock options granted to the employees of the subsidiaries, the share based compensation expenses are charged to the respective subsidiary.

3.18 DIVIDEND

The Company declares and pays dividends in Indian rupees. Final dividend and interim dividend on equity shares are recorded as a liability on approval by the shareholders and on declaration by the Company's Board of Directors respectively. Dividends declared by the Company are based on profits available for distribution.

3.19 INCOME TAXES

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of branches where it is expected that the earnings of the branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

3.20 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 adjusted for treasury shares held. 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.

3.21 RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

4 PROPERTY, PLANT AND EQUIPMENT

	Building	Leasehold improvements	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
Gross carrying amount as at 1 April 2023	**1,097.86**	**126.46**	**1,189.26**	**125.54**	**42.34**	**344.75**	**2,926.21**
Additions	158.29	8.29	196.48	18.69	22.02	45.29	449.06
Disposal/retirement/derecognition	-	-	0.33	2.19	-	0.85	3.37
Gross carrying amount as at 31 March 2024	**1,256.15**	**134.75**	**1,385.41**	**142.04**	**64.36**	**389.19**	**3,371.90**
Accumulated depreciation as at 1 April 2023	**151.96**	**96.69**	**683.16**	**85.00**	**23.34**	**162.14**	**1,202.29**
Depreciation for the year	40.69	7.60	205.32	12.81	6.45	32.94	305.81
Disposal/retirement/derecognition	-	-	0.15	2.16	-	0.83	3.14
Accumulated depreciation as at 31 March 2024	**192.65**	**104.29**	**888.33**	**95.65**	**29.79**	**194.25**	**1,504.96**
Carrying amount as at 1 April 2023	**945.90**	**29.77**	**506.10**	**40.54**	**19.00**	**182.61**	**1,723.92**
Carrying amount as at 31 March 2024	**1,063.50**	**30.46**	**497.08**	**46.39**	**34.57**	**194.94**	**1,866.94**
Gross carrying amount as at 1 April 2022	**1,088.41**	**120.65**	**1,086.63**	**137.81**	**37.39**	**348.09**	**2,818.98**
Additions	9.45	5.81	332.51	0.89	10.87	19.88	379.41
Disposal/retirement/derecognition	-	-	229.88	13.16	5.92	23.22	272.18
Gross carrying amount as at 31 March 2023	**1,097.86**	**126.46**	**1,189.26**	**125.54**	**42.34**	**344.75**	**2,926.21**
Accumulated depreciation as at 1 April 2022	**114.39**	**93.09**	**688.04**	**82.74**	**23.09**	**154.19**	**1,155.54**
Depreciation for the year	37.57	3.60	220.36	14.04	6.17	30.43	312.17
Disposal/retirement/derecognition	-	-	225.24	11.78	5.92	22.48	265.42
Accumulated depreciation as at 31 March 2023	**151.96**	**96.69**	**683.16**	**85.00**	**23.34**	**162.14**	**1,202.29**
Carrying amount as at 1 April 2022	**974.02**	**27.56**	**398.59**	**55.07**	**14.30**	**193.90**	**1,663.44**
Carrying amount as at 31 March 2023	**945.90**	**29.77**	**506.10**	**40.54**	**19.00**	**182.61**	**1,723.92**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

5 RIGHT-OF-USE ASSETS

	Buildings	Plant and Equipments	Leasehold Land	Vehicles	Total
Gross carrying amount as at 1 April 2023	**768.59**	**-**	**423.90**	**0.21**	**1,192.70**
Additions	11.07	257.27	-	22.97	291.31
Derecognition/adjustments	10.78	-	-	-	10.78
Gross carrying amount as at 31 March 2024	**768.88**	**257.27**	**423.90**	**23.18**	**1,473.23**
Accumulated depreciation as at 1 April 2023	**328.93**	**-**	**34.59**	**0.21**	**363.73**
Depreciation for the year	137.50	32.59	4.64	2.84	177.57
Derecognition/adjustments	10.78	-	-	-	10.78
Accumulated depreciation as at 31 March 2024	**455.65**	**32.59**	**39.23**	**3.05**	**530.52**
Carrying amount as at 1 April 2023	**439.66**	**-**	**389.31**	**-**	**828.97**
Carrying amount as at 31 March 2024	**313.23**	**224.68**	**384.67**	**20.13**	**942.71**
Gross carrying amount as at 1 April 2022	**900.89**	**-**	**423.90**	**0.21**	**1,325.00**
Additions	26.47	-	-	-	26.47
Derecognition/adjustments	158.77	-	-	-	158.77
Gross carrying amount as at 31 March 2023	**768.59**	**-**	**423.90**	**0.21**	**1,192.70**
Accumulated depreciation as at 1 April 2022	**207.69**	**-**	**29.95**	**0.21**	**237.85**
Depreciation for the year	152.32	-	4.64	-	156.96
Derecognition/adjustments	31.08	-	-	-	31.08
Accumulated depreciation as at 31 March 2023	**328.93**	**-**	**34.59**	**0.21**	**363.73**
Carrying amount as at 1 April 2022	**693.20**	**-**	**393.95**	**-**	**1,087.15**
Carrying amount as at 31 March 2023	**439.66**	**-**	**389.31**	**-**	**828.97**

6 CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	5.12	-	-	-	5.12
Project temporarily suspended	-	-	-	-	-
Total	**5.12**	**-**	**-**	**-**	**5.12**
As at 31 March 2023					
Projects in progress	48.75	-	-	-	48.75
Project temporarily suspended	-	-	-	-	-
Total	**48.75**	**-**	**-**	**-**	**48.75**

Note:

(i) As on the balance sheet date, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

7 OTHER INTANGIBLE ASSETS

	Internally Generated		Other than Internally Generated Softwares	Total
	Product Development Cost	Technical knowhow		
Gross carrying amount as at 1 April 2023	**834.85**	**-**	**1,967.72**	**2,802.57**
Additions	506.56	-	601.83	1,108.39
Disposal/retirement/derecognition	824.89	-	807.17	1,632.06
Gross carrying amount as at 31 March 2024	**516.52**	**-**	**1,762.38**	**2,278.90**
Accumulated amortisation as at 1 April 2023	**834.85**	**-**	**1,719.19**	**2,554.04**
Amortisation for the year	-	-	545.16	545.16
Disposal/retirement/derecognition	318.33	-	807.17	1,125.50
Accumulated amortisation as at 31 March 2024	**516.52**	**-**	**1,457.18**	**1,973.70**
Carrying amount as at 1 April 2023	**-**	**-**	**248.53**	**248.53**
Carrying amount as at 31 March 2024	**-**	**-**	**305.20**	**305.20**
Gross carrying amount as at 1 April 2022	**834.85**	**-**	**1,528.67**	**2,363.52**
Additions	-	-	439.05	439.05
Gross carrying amount as at 31 March 2023	**834.85**	**-**	**1,967.72**	**2,802.57**
Accumulated amortisation as at 1 April 2022	**834.85**	**-**	**1,283.15**	**2,118.00**
Amortisation for the year	-	-	436.04	436.04
Accumulated amortisation as at 31 March 2023	**834.85**	**-**	**1,719.19**	**2,554.04**
Carrying amount as at 1 April 2022	**-**	**-**	**245.52**	**245.52**
Carrying amount as at 31 March 2023	**-**	**-**	**248.53**	**248.53**

8 INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	0.28	-	-	-	0.28
Project temporarily suspended	-	-	-	-	-
Total	**0.28**	**-**	**-**	**-**	**0.28**
As at 31 March 2023					
Projects in progress	268.77	-	-	-	268.77
Project temporarily suspended	-	-	-	-	-
Total	**268.77**	**-**	**-**	**-**	**268.77**

Note:

(i) As on the balance sheet date, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

9 INVESTMENTS

(Unquoted)

9A INVESTMENTS IN EQUITY INSTRUMENTS OF JOINT ARRANGEMENT AND ASSOCIATE MEASURED AT COST

	31 March 2024	31 March 2023
N-Dream AG (Refer note 47)	86.75	-
50,598 (Previous year Nil) Equity shares of CHF 1 each fully paid up		

9B INVESTMENTS IN EQUITY INSTRUMENTS OF SUBSIDIARIES MEASURED AT COST

	31 March 2024	31 March 2023
KPIT Technologies (UK) Limited	1,273.72	1,273.72
A wholly owned subsidiary company incorporated in UK		
14,990,616 (Previous year 14,990,616) Equity shares of GBP 1 each fully paid up		
KPIT (Shanghai) Software Technology Co. Limited	128.84	128.84
A wholly owned subsidiary company incorporated in China		
14,074,702 (Previous year 14,074,702) Equity shares of RMB 1 each fully paid up		
KPIT Technologies Netherlands B.V.	34.30	34.30
A wholly owned subsidiary company incorporated in Netherlands		
5,000 (Previous year 5,000) Equity shares of EUR 100 each fully paid up		
KPIT Technologias Ltda.	17.48	17.48
999 (Previous year 999) Equity share of BRL 1 each fully paid up		
KPIT Technologies GK	18.08	18.08
A wholly owned subsidiary company incorporated in Japan		
KPIT Technologies Holding Inc.	1,254.60	1,254.60
A wholly owned subsidiary company incorporated in USA		
17,000,000 (Previous year 17,000,000) Shares Common Stock at par value of USD 1 each fully paid up		
KPIT Tech (Thailand) Co., Ltd.	0.12	0.12
1,000 (Previous year 1,000) Shares of THB 10 each fully paid up		
PathPartner Technology Private Limited	1,761.84	1,761.84
893,710 (Previous year 893,710) Shares of ₹ 10 each fully paid up		
KPIT Technologies GmbH	4,895.26	3,557.96
3,877,880 (Previous year 2,977,644) Shares of EUR 1 each fully paid up		
Qorix GmbH (w.e.f. 10 March 2023)	450.64	44.52
A wholly owned subsidiary company incorporated in Germany		
764,706 (Previous year 500,000) Shares of EUR 1 each fully paid up		
	9,834.88	**8,091.46**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

9C INVESTMENTS IN EQUITY INSTRUMENTS OF OTHER ENTITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 March 2024	31 March 2023
MCCIA Electronic Cluster Foundation (w.e.f 30 June 2023)	0.01	-
6 (Previous year Nil) equity shares of INR 1,000 each fully paid up		
	9,921.64	**8,091.46**

10 OTHER NON-CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Fixed deposits with more than 12 months maturity	236.00	241.41
Interest accrued on fixed deposits	26.22	8.44
Security deposits	77.95	79.30
Derivative asset towards further stake acquisition in N-Dream (Refer note 47)	98.17	-
	438.34	**329.15**

Note:

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

11 DEFERRED TAX ASSETS (NET)

	31 March 2024	31 March 2023
Deferred tax assets		
Property, plant and equipment and intangible assets	-	9.35
Provision for employee benefits	124.71	95.54
Forward contracts designated as cash flow hedges	-	26.00
MAT credit entitlement	186.54	332.76
Provisions	94.26	69.82
Others	29.00	28.18
	434.51	**561.65**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	51.91	-
Forward contracts designated as cash flow hedges	46.81	-
Others	2.33	4.77
	101.05	**4.77**
Net deferred tax asset	**333.46**	**556.88**

12 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Capital advances	5.68	5.89
Prepaid expenses	1.48	2.09
	7.16	**7.98**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

13 CURRENT INVESTMENTS

(Quoted)

	31 March 2024	31 March 2023
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	461.88	331.11
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust (Refer note 37.1)	16.38	20.70
	478.26	**351.81**

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2024		31 March 2023	
	Units	Amount	Units	Amount
Bandhan Overnight Fund Regular Plan - Growth	157,693.39	200.22	-	-
Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan	108,909.56	140.15	-	-
Mirae Asset Cash Management Fund - Regular Plan Growth	48,403.47	121.51	-	-
Axis Overnight Fund - Regular Growth	-	-	144,293.89	170.66
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	-	-	50,005.26	60.31
DSP Overnight Fund - Growth - Regular plan	-	-	83,703,972	100.14
Total investment in mutual fund units		**461.88**		**331.11**

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

14 TRADE RECEIVABLES

(Unsecured)

	31 March 2024	31 March 2023
Trade receivables - billed		
Trade receivables considered good	3,722.95	3,683.34
Trade receivables which have significant increase in credit risk	14.53	5.68
Trade receivables - credit impaired	-	-
	3,737.48	3,689.02
Less: Allowances for bad and doubtful trade receivables	242.75	134.38
Total trade receivables - billed	**3,494.73**	**3,554.64**
Total trade receivables - unbilled	**727.78**	**690.58**
	4,222.51	**4,245.22**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Trade receivables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	3,229.78	439.93	38.94	14.30	-	-	3,722.95
Undisputed trade receivables - which have significant increase in credit risk	1.79	2.60	2.31	7.83	-	-	14.53
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	3,231.57	**442.53**	**41.25**	**22.13**	**-**	**-**	**3,737.48**
Less: Allowances for bad and doubtful trade receivables - billed							242.75
							3,494.73
Trade receivables - unbilled (Refer note ii below)							727.78
							4,222.51

Trade receivables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	2,972.52	658.28	52.54	-	-	-	3,683.34
Undisputed trade receivables - which have significant increase in credit risk	0.24	0.40	5.04	-	-	-	5.68
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	2,972.76	**658.68**	**57.58**	**-**	**-**	**-**	**3,689.02**
Less: Allowances for bad and doubtful trade receivables - billed							134.38
							3,554.64
Trade receivables - unbilled (Refer note ii below)							690.58
							4,245.22

Note:

(i) Trade receivables from related parties are disclosed in note 43.

(ii) Unbilled revenue is not outstanding for more than 90 days.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

15 CASH AND CASH EQUIVALENTS

	31 March 2024	31 March 2023
Cash on hand	-	0.01
Balances with banks		
In current accounts	197.17	320.12
In deposit accounts with original maturity of 3 months or less (Refer note i below)	801.07	392.92
	998.24	**713.05**

Note:

(i) It includes earmarked balance amounting to ₹ 193.07 million (Previous year ₹ 182.92 million) held under Escrow account.

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

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	31 March 2024	31 March 2023
Balances with banks		
In unclaimed dividend accounts	5.00	3.17
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	219.79	233.37
	224.79	**236.54**

Note:

(i) It includes earmarked balance amounting to ₹ 4.13 million (Previous year ₹ 17.87 million) held as security towards obtaining bank guarantees and overdraft facility.

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

17 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Interest accrued on fixed deposits	10.44	10.07
Security deposits	34.24	5.45
Forward contracts designated as cash flow hedges (Refer note 34.3)	133.96	-
Receivable from related parties (Refer note 43)	921.23	35.34
Derivative asset towards further stake acquisition in N-Dream (Refer note 47)	81.06	-
Other receivables	133.26	135.09
	1,314.19	**185.95**

Note:

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

18 OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Advance to suppliers	22.24	14.26
Employee advances		
Considered good	31.04	32.87
Considered doubtful	10.15	26.05
	41.19	58.92
Less: Provision for doubtful advances	10.15	26.05
	31.04	32.87
Balances with statutory authorities	25.00	23.51
Contract assets (Refer note 35)	1.77	14.52
Prepaid expenses	308.69	160.81
	388.74	**245.97**

19 EQUITY SHARE CAPITAL

	31 March 2024	31 March 2023
Authorised:		
450,000,000 (Previous year 450,000,000) equity shares of ₹ 10 each.	4,500.00	4,500.00
	4,500.00	**4,500.00**
Issued subscribed and fully paid up:		
274,143,808 (Previous year 274,143,808) equity shares of ₹ 10 each fully paid up	2,741.44	2,741.44
Less: 2,926,924 (Previous year 3,797,418) Treasury shares held by KPIT Technologies Employees Welfare Trust	29.27	37.98
	2,712.17	**2,703.46**

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

19.2 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.

19.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	270,346,390	2,703.46	270,016,575	2,700.17
Add: Shares issued on exercise of employee stock options	870,494	8.71	737,315	7.37
Less: Shares purchased from secondary market towards the grant of new stock options	-	-	407,500	4.08
Equity shares outstanding at the end of the year	**271,216,884**	**2,712.17**	**270,346,390**	**2,703.46**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

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

Name of the shareholder	31 March 2024		31 March 2023	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%

19.5 Shareholding of promoters

Name of the promoter	31 March 2024		31 March 2023		Percentage change during the year ended 31 March 2024
	Number of shares held	% of shares held	Number of shares held	% of shares held	
Mr. S. B. (Ravi) Pandit	989,306	0.36%	989,306	0.36%	0.00%
Ms. Nirmala Pandit	239,000	0.09%	239,000	0.09%	0.00%
Mr. Chinmay Pandit	38,620	0.01%	38,620	0.01%	0.00%
Mr. Kishor Patil	13,345,605	4.87%	13,345,605	4.87%	0.00%
Ms. Anupama Patil	116,330	0.04%	116,330	0.04%	0.00%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,419,084	0.88%	2,455,800	0.90%	-1.50%
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	741,150	0.27%	741,150	0.27%	0.00%
Ms. Hemalata A Shende	20,000	0.01%	20,000	0.01%	0.00%
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%	0.00%
K and P Management Services Private Limited	300,910	0.11%	300,910	0.11%	0.00%

19.6 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date - Nil (Previous year Nil).

19.7 Refer note 37 for details relating to employee stock options.

19.8 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2024	31 March 2023
Final dividend for the year ended on 31 March 2022: ₹ 1.85 per share	-	499.83
Final dividend for the year ended on 31 March 2023: ₹ 2.65 per share	717.63	-
Interim dividend for the year ended on 31 March 2023: ₹ 1.45 per share	-	391.80
Interim dividend for the year ended on 31 March 2024: ₹ 2.10 per share	569.47	-
Total dividend paid	**1,287.10**	**891.63**

Proposed dividend:

The Board of Directors at its meeting held on 29 April 2024, has recommended a final dividend of ₹ 4.60 per equity share for the year ended 31 March 2024, which is subject to the approval of shareholders at the Annual General Meeting.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

19.9 Capital Management

The Company's Capital Management policy is aimed at maintaining a stable capital base so as to ensure overall financial stability and operational efficiency. The Company will aim to strike the right balance between:

(a) Liquidity, required not only for the operations of the Company but also the investments required for future growth;

(b) Returns, by investing excess funds as per the board approved investment policy; and

(c) Distribution of dividends to the shareholders of the Company with an overall objective of consistently maximizing shareholder value over a long period of time.

The Company is predominantly equity financed and will always aim to be a Net Cash company.

The following table summarises the capital of the Company:

Particulars	31 March 2024	31 March 2023
Equity Share capital	2,712.17	2,703.46
Other equity	13,308.28	11,133.80
Total equity (Equity)	**16,020.45**	**13,837.26**
Long-term borrowings	0.59	2.26
Short-term borrowings and current maturities of long term borrowings	1.67	3.81
Total borrowings (Debt)	**2.26**	**6.07**
Total capital (Equity + Debt)	**16,022.71**	**13,843.33**
Total borrowings as a percentage of total capital	0.01%	0.04%
Total equity as a percentage of total capital	99.99%	99.96%

As at 31 March 2024 and 31 March 2023, the Company has no externally imposed capital requirements.

20 NON-CURRENT BORROWINGS

	31 March 2024	31 March 2023
Term loans		
From banks (secured) (Refer note i and ii below)	0.59	2.26
	0.59	**2.26**

Notes:

(i) Term loans from bank includes a loan secured against vehicle obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of ₹ 0.15 million each upto July 2025.

(ii) Term loans from bank in the previous year included a loan secured against vehicle obtained under the loan arrangement. The loan carried interest upto 8.70 % p.a. and was repayable in equated monthly installments of ₹ 0.22 million each. The loan is fully repaid during the current year.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

21 OTHER NON-CURRENT FINANCIAL LIABILITIES

	31 March 2024	31 March 2023
Accrued employee costs	-	93.17
	-	**93.17**

Note:

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

22 NON-CURRENT PROVISIONS

	31 March 2024	31 March 2023
Provision for employee benefits		
Compensated absences	117.37	84.92
Gratuity (Refer note 36)	345.03	232.43
	462.40	**317.35**

23 CURRENT BORROWINGS

	31 March 2024	31 March 2023
Current maturities of long term borrowings (Refer note i below)		
From banks (secured)	1.67	3.81
	1.67	**3.81**

Notes:

(i) Refer note 20 for the details of security and repayment terms.

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

24 TRADE PAYABLES

Trade payables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	16.25	-	-	-	16.25
Others	139.85	143.34	0.79	0.89	1.01	285.88
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	139.85	**159.59**	**0.79**	**0.89**	**1.01**	**302.13**
Accrued expenses						566.13
						868.26

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Trade payables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	3.14	-	-	-	3.14
Others	109.95	92.41	1.33	-	2.28	205.97
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	109.95	**95.55**	**1.33**	**-**	**2.28**	**209.11**
Accrued expenses						300.78
						509.89

Notes:

(i) Information on MSME is disclosed in note 42.

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

(iii) Information about the related party transaction is disclosed in note 43.

25 OTHER CURRENT FINANCIAL LIABILITIES

	31 March 2024	31 March 2023
Purchase consideration payable		
PathPartner Technology Private Limited	780.45	176.07
Contractual obligation - towards acquisition of balance non-controlling stake	-	516.33
Accrued employee costs	478.99	527.53
Unclaimed dividends	3.92	3.16
Capital creditors	87.41	60.04
Forward contracts designated as cash flow hedges (Refer note 34.3)	-	74.42
Payable to related parties (Refer note 43)	62.87	108.88
Others	9.83	27.29
	1,423.47	**1,493.72**

Note:

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

26 OTHER CURRENT LIABILITIES

	31 March 2024	31 March 2023
Contract liabilities (Refer note 35)	1,335.62	816.04
Advance received from customers	82.08	16.19
Statutory liabilities	273.94	217.31
Advance from related parties (Refer note 43)	2.40	-
	1,694.04	**1,049.54**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

27 CURRENT PROVISIONS

	31 March 2024	31 March 2023
Provision for employee benefits		
Compensated absences	34.36	25.17
Gratuity (Refer note 36)	80.00	80.00
Other provisions		
Provision for warranty (Refer note 41.1)	243.36	169.35
	357.72	**274.52**

28 REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Software services	20,084.26	15,148.04
Sale of products		
Finished goods	81.76	16.25
	20,166.02	**15,164.29**

Note:

(i) Refer note 35 for more disclsoures on revenue from contracts with customers.

28 OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets carried at amortized cost (Refer note i below)	50.90	112.20
Other interest income (including interest on tax refunds)	10.83	8.69
Dividend income on investments carried at fair value through profit and loss (Refer note ii below)	0.58	1.41
Net gain on disposal of property, plant and equipment	394.64	6.70
Net foreign exchange gain	183.95	186.41
Net unrealised gain on investments carried at fair value through profit or loss (Refer note iii below)	23.98	-
Other non-operating income (net of expenses directly attributable to such income) (including miscellaneous income) (Refer note iv below)	21.25	108.15
	686.13	**423.56**

Notes:

(i) Interest income from related parties are disclosed in note 43.

(ii) This represents the dividend income of ₹ 0.58 million (Previous year ₹ 1.41 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

(iii) This represents the gain on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

(iv) Includes gain on sale of investments of ₹ 10.97 million and ₹ 76.41 million for the years ended 31 March 2024 and 31 March 2023 respectively.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

30 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and incentives	11,864.78	8,435.20
Contribution to provident and other funds	452.78	335.77
Share based compensation to employees (Refer note 37)	44.83	60.12
Staff welfare expenses	48.73	42.23
	12,411.12	**8,873.32**

31 FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Finance cost on lease liabilities (Refer note 40)	57.78	57.88
Finance cost on financial liabilities measured at amortised cost	59.02	34.04
Finance cost on financial liabilities measured at fair value through profit or loss	26.53	54.88
Exchange differences regarded as an adjustment to finance costs	2.21	-
	145.54	**146.79**

32 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (Refer note 4)	305.81	312.17
Depreciation of right-of-use assets (Refer note 5)	177.57	156.96
Amortization of other intangible assets (Refer note 7)	545.16	436.04
	1,028.54	**905.17**

33 OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Travel expenses (net)	258.29	259.77
Cost of service delivery (net)	288.98	259.65
Cost of professional sub-contracting (net)	410.04	311.33
Recruitment and training expenses	163.30	162.21
Power and fuel	60.11	58.35
Rent (Refer note 40)	23.89	16.35
Repairs and maintenance	345.59	161.40
Insurance	124.25	107.54
Rates & taxes	15.62	16.45

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Communication expenses (net)	51.51	45.20
Legal and professional fees	510.91	143.41
Marketing expenses	47.21	60.50
Auditor's remuneration (net of taxes)		
Audit fees	7.84	5.90
Limited review of quarterly results	2.10	2.10
Fees for other services	0.95	0.70
Out of pocket expenses reimbursed	0.47	0.25
Bad debts written off	4.39	7.18
Allowances for doubtful trade receivables and advances (net)	108.37	38.91
Provision for warranty (Refer note 41.1)	74.01	46.25
Expenditure on corporate social responsibility (Refer note 48)	50.74	41.86
Net unrealised loss on investments carried at fair value through profit or loss (Refer note ii below)	-	25.68
Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss	36.95	-
Miscellaneous expenses (net)	300.96	236.05
	2,886.48	**2,007.04**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

(ii) This represents the net loss on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

34 FINANCIAL INSTRUMENTS

34.1 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value and fair value of financial instruments by categories as at 31 March 2024 are as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments (other than in subsidiary, joint venture and associate)	-	478.26	-	478.26	478.26
Trade receivables - billed	3,494.73	-	-	3,494.73	3,494.73
Trade receivables - unbilled	727.78	-	-	727.78	727.78
Cash and cash equivalents	998.24	-	-	998.24	998.24
Bank balances other than cash and cash equivalents above	224.79	-	-	224.79	224.79
Other financial assets	537.14	1,081.43	133.96	1,752.53	1,752.53
Total financial assets	**5,982.68**	**1,559.69**	**133.96**	**7,676.33**	**7,676.33**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial liabilities					
Borrowings	2.26	-	-	2.26	2.26
Trade payables	868.26	-	-	868.26	868.26
Lease liabilities	676.39	-	-	676.39	676.39
Other financial liabilities	1,423.47	-	-	1,423.47	1,423.47
Total financial liabilities	**2,970.38**	**-**	**-**	**2,970.38**	**2,970.38**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments (other than in subsidiary, joint venture and associate)	-	351.81	-	351.81	351.81
Trade receivables - billed	3,554.64	-	-	3,554.64	3,554.64
Trade receivables - unbilled	690.58	-	-	690.58	690.58
Cash and cash equivalents	713.05	-	-	713.05	713.05
Bank balances other than cash and cash equivalents above	236.54	-	-	236.54	236.54
Other financial assets	515.10	-	-	515.10	515.10
Total financial assets	**5,709.91**	**351.81**	**-**	**6,061.72**	**6,061.72**
Financial liabilities					
Borrowings	6.07	-	-	6.07	6.07
Trade payables	509.89	-	-	509.89	509.89
Lease liabilities	561.31	-	-	561.31	561.31
Other financial liabilities	996.14	516.33	74.42	1,586.89	1,586.89
Total financial liabilities	**2,073.41**	**516.33**	**74.42**	**2,664.16**	**2,664.16**

34.2 FAIR VALUE HIERARCHY

Financial assets and liabilities include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables (billed and unbilled), other financial assets, trade payables, borrowings and other financial liabilities, whose fair values approximate their carrying amounts. Fair value of lease liabilities approximate its carrying amount, as lease liabilities are valued using discounted cash flow method. Except for quoted investments, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2 or Level 3.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

The following table presents fair value hierarchy of financial assets and liabilities as at 31 March 2024:

Particulars	As at 31 March 2024	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in shares of Birlasoft Limited	16.38	16.38	-	-
Investments in mutual fund units	461.88	461.88	-	-
Derivative asset towards further stake acquisition in N-Dream	179.23	-	-	179.23
Forward contracts designated as cash flow hedge	133.96	-	133.96	-
Receivable from wholly owned subsidiary on sale of asset	902.20	-	-	902.20
Financial liability				
Contractual obligation - towards acquisition of balance non-controlling stake	-	-	-	-
Forward contracts designated as cash flow hedge	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities as at 31 March 2023:

Particulars	As at 31 March 2023	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in shares of Birlasoft Limited	20.70	20.70	-	-
Investments in mutual fund units	331.11	331.11	-	-
Financial liability				
Contractual obligation - towards acquisition of balance non-controlling stake	516.33	-	-	516.33
Forward contracts designated as cash flow hedge	74.42	-	74.42	-

Reconciliation of fair value measurement for Level 3 financial assets and liabilities classified as FVTPL:

	Particulars	31 March 2024	31 March 2023
i)	**Contractual obligation - towards acquisition of balance non-controlling stake**		
	Balance at the beginning of the year	516.33	901.45
	Finance costs recognised in the Statement of Profit and Loss	26.53	54.88
	Change in fair value of the financial instrument	31.49	
	Amount transferred to financial liabilities measured at amortised cost	(574.35)	(440.00)
	Balance at the end of the year	**-**	**516.33**
ii)	**Derivative asset towards further stake acquisition in N-Dream**		
	Balance at the beginning of the year	-	-
	Additions during the year	184.45	-
	Change in fair value of derivative asset	(5.46)	-
	Exchange difference on translation	0.24	-
	Balance at the end of the year	**179.23**	**-**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Significant techniques and unobservable inputs used for Level 2 and Level 3 fair valuation measurement

As at 31 March 2024:

Particulars	Valuation techniques	Significant Unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
i) Derivative asset towards further stake acquisition in N-Dream	Black-Scholes model	Volatility percentage	The estimated fair value would increase (decrease) if the volatility were higher (lower).

As at 31 March 2023:

Particulars	Valuation techniques	Significant Unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
i) Contractual obligation - towards acquisition of balance non-controlling stake	The valuation is done using discounted cash flow method, which considers the present value of expected future payments discounted using a risk adjusted discount rate.	a. Expected cash flows b. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if; a. the expected cash flows were higher (lower); or b. the risk-adjusted discount rate were lower (higher).

34.3 FINANCIAL RISK MANAGEMENT

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

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Company's billed trade receivables from customers amounting to ₹ 3,494.73 million and ₹ 3,554.64 million and unbilled trade receivables amounting to ₹ 727.78 million and ₹ 690.58 million and other current financial assets pertaining to receivable from related and other than related parties amounting to ₹ 1,054.49 million and ₹ 170.43 million as on 31 March 2024 and 31 March 2023 respectively. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

I. Trade receivables

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

II. Impairment

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

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	134.38	81.47
Impairment during the year	390.43	150.35
Reversal of impairment on account of collection	(277.67)	(88.53)
Utilisation of allowance	(4.39)	(8.91)
Balance at the end of the year	**242.75**	**134.38**

Refer note 14 for ageing of trade receivables

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

iii. Cash and bank balances

The Company held cash and bank balances of ₹1,223.03 million and ₹949.59 million as at 31 March 2024 and 31 March 2023 respectively. The cash and bank balances are held with banks which have high credit ratings assigned by international credit rating agencies.

iv. Guarantees

The Company's policy is to provide financial guarantees in routine course of business and on behalf of subsidiaries/joint ventures.

b. Liquidity risk

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

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

The liquidity position at each reporting date is given below:

Particulars	31 March 2024	31 March 2023
Cash and cash equivalents	998.24	713.05
Bank balances other than cash and cash equivalents above	224.79	236.54
Fixed deposits with banks (non-current portion) including interest accrued	272.66	259.92
Investment in mutual fund units	461.88	331.11
Total	**1,957.57**	**1,540.62**

The following are the remaining contractual maturities of financial liabilities as at 31 March 2024:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	2.26	2.40	1.80	0.60	-	-
Trade payables	868.26	868.26	868.26	-	-	-
Other financial liabilities	1,423.47	1,423.47	1,423.47	-	-	-

The following are the remaining contractual maturities of financial liabilities as at 31 March 2023:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	6.07	6.07	3.81	2.26	-	-
Trade payables	509.89	509.89	509.89	-	-	-
Other financial liabilities	1,586.89	1,586.89	1,493.72	93.17	-	-

Refer note 40 for the contractual maturities of lease liabilities.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

I. Foreign currency risk

Significant portion of the Company's revenues are in foreign currencies, while a significant portion of the costs are in Indian rupee i.e. functional currency of the Company. The foreign currencies to which the Company is majorly exposed to are US Dollars, Euros and Pound Sterling.

The Company evaluates net exchange rate exposure based on current revenue projections and expected volatility in the market and covers its exposure up to 90% on net basis. For this purpose the Company uses foreign currency derivative instruments such as forward contracts 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 below figures are INR equivalent amounts of foreign currency.

The following is the Company's exposure to currency risk from financial instruments as at 31 March 2024:

Particulars	US Dollars	Euros	Pound Sterling	Japanese Yen	Other currencies	Total
Trade receivables (including unbilled)	1,582.93	1,097.94	397.38	558.28	135.21	3,771.74
Other financial assets	-	1,080.27	3.65	4.58	-	1,088.50
Trade payables	(11.14)	(3.11)	(5.16)	(2.41)	(0.03)	(21.85)
Other financial liabilities	(9.02)	(57.60)	(0.01)	-	(1.16)	(67.79)
Net assets/(liabilities)	**1,562.77**	**2,117.50**	**395.86**	**560.45**	**134.02**	**4,770.60**

The following is the Company's exposure to currency risk from financial instruments as at 31 March 2023:

Particulars	US Dollars	Euros	Pound Sterling	Japanese Yen	Other currencies	Total
Trade receivables (including unbilled)	2,105.12	1,000.99	155.66	506.59	51.94	3,820.30
Other financial assets	-	19.26	1.86	4.30	0.91	26.33
Trade payables	(8.85)	(17.25)	(1.33)	(0.74)	(1.69)	(29.86)
Other financial liabilities	(116.41)	-	-	-	(0.78)	(117.19)
Net assets/(liabilities)	**1,979.86**	**1,003.00**	**156.19**	**510.15**	**50.38**	**3,699.58**

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2024, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.98%/(0.98)%.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

For the period ended 31 March 2023, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.86%/0.86%.

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 EUR/USD/JPY/GBP: INR Currency Exchange Contracts entered into by the Company which has been designated as Cash Flow Hedges:

Particulars	31 March 2024		31 March 2023	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	34.75	3,135.15	24.65	2,208.83
USD	66.80	5,569.12	45.94	3,777.04
JPY	2,980.00	1,641.68	2,469.00	1,525.84
GBP	11.03	1,161.35	6.00	611.24

The forward contracts have maturity between 30 days to 12 months from 31 March 2024.
The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	(48.41)	57.12
Gains on changes in fair value of foreign exchange contracts recognised in other comprehensive income	133.96	(74.41)
Deferred tax on fair value of effective portion of cash flow hedges	(72.81)	56.68
Amounts reclassified to the Statement of Profit and Loss	74.41	(87.80)
Balance at the end of the year	**87.15**	**(48.41)**

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 do not have any investments and borrowings which are variable interest rate bearing instruments. Therefore, the Company is not exposed to interest rate risk.

IV. Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in quoted equity instruments and investments in mutual funds. The Company is mainly exposed to other price risk arising from investments in mutual funds which are recognised at fair value through profit and loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

35 DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

DISAGGREGATE REVENUE INFORMATION

The Company disaggregates revenue from contract with customers by geography and contract type.

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

A Revenue disaggregation by geography is as follows:

Geographical segments	31 March 2024	31 March 2023
Americas	6,769.05	6,004.16
UK & Europe	7,229.96	4,955.74
Rest of World	6,167.01	4,204.39
Total	**20,166.02**	**15,164.29**

B Revenue disaggregation by contract type is as follows:

Contract type	31 March 2024	31 March 2023
Time & Material (T&M) and Cap T&M projects	10,332.53	8,334.35
Fixed price projects	9,124.84	6,184.02
License projects	188.65	226.13
Sale from manufacturing unit/ product sale	81.76	15.84
Others	438.24	403.95
Total	**20,166.02**	**15,164.29**

Invoices are payable within contractually agreed credit period.

MOVEMENT IN CONTRACT ASSETS (UNBILLED REVENUE)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	14.52	43.15
Revenue recognised during the year	1.76	14.52
Invoicing during the year	(12.59)	(38.51)
Reversals during the year	(1.96)	(4.64)
Translation difference	0.04	-
Balance at the end of the year	**1.77**	**14.52**

MOVEMENT IN CONTRACT LIABILITIES (UNEARNED REVENUE)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	816.04	686.82
Invoiced during the period but not recognised as revenue	1,281.64	758.74
Revenue recognised during the year	(733.58)	(629.52)
Translation difference	(28.48)	-
Balance at the end of the year	**1,335.62**	**816.04**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

RECONCILIATION OF REVENUE RECOGNISED WITH THE CONTRACTED PRICE

Particulars	31 March 2024	31 March 2023
Contracted price	20,285.58	15,165.21
Reductions towards variable consideration components	(119.56)	(0.92)
Revenue recognised	**20,166.02**	**15,164.29**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2024, other than those meeting the exclusion criteria mentioned above, is ₹ 2,544.00 million. Out of this, the Company expects to recognize revenue of around 83% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty, since based on current assessment, the occurrence of the same is expected to be remote.

36 GRATUITY

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

The Company's gratuity scheme is a defined benefit plan (funded). The Company manages the plan through a trust. Trustees administer contributions made to the trust.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	535.16	410.64
Current service cost	86.92	63.54
Interest cost	38.86	27.45
Actuarial loss/(gain) recognised in other comprehensive income		
a) changes in demographic assumptions	-	-
b) changes in financial assumptions	4.75	(15.35)
c) experience adjustments	61.68	99.10
Benefits paid	(49.25)	(50.22)
Present value of defined benefit obligation at the end of the year	678.12	535.16

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Changes in the fair value of the plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Fair value of plan assets at the beginning of the year	222.73	184.99
Interest income	15.90	12.33
Employer contribution	61.63	80.26
Benefits paid	(49.24)	(50.22)
Return on plan assets, excluding interest income	2.07	(4.63)
Fair value of plan assets at the end of the year	253.09	222.73

Amount recognized in the Balance Sheet	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of obligation as at the end of the year	678.12	535.16
Fair value of plan assets at the end of the year	253.09	222.73
Funded status ((surplus)/deficit)	425.03	312.43
Net defined benefit obligation	425.03	312.43

Expenses recognized in the Statement of Profit and Loss	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	86.92	63.54
Interest cost net of interest income on plan assets	22.96	15.12
Expenses recognized in the Statement of Profit and Loss	109.88	78.66

Expenses recognized in the Other Comprehensive Income (OCI)	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss/(gain)	66.43	83.75
Return on plan assets, excluding interest income	2.07	(4.63)
Net (income)/expense recognized in the OCI	64.36	88.38

Category of assets	For the year ended 31 March 2024	For the year ended 31 March 2023
Insurance fund	253.09	222.73

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Actuarial Assumptions:	For the year ended 31 March 2024	For the year ended 31 March 2023
Expected return on plan assets	7.19%	7.35%
Discount rate	7.19%	7.35%
Salary Escalation	5.00%	5.00%
Attrition Rate	15.00%	15.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality 2012-14 (Urban).

SENSITIVITY ANALYSIS

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2024		31 March 2023	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(28.49)	31.50	(21.77)	24.04
Future salary growth (1 % movement)	31.87	(29.32)	24.36	(22.44)
Attrition rate (1 % movement)	0.22	(0.57)	0.95	(1.25)

Maturity profile of defined benefit plan:

Projected benefits payable in future years from the date of reporting	31 March 2024	31 March 2023
Within 1 year	131.61	109.10
1-2 year	80.26	69.52
2-3 year	81.14	64.46
3-4 year	79.14	61.82
4-5 year	91.61	57.89
5-10 years	269.08	217.73
Thereafter	278.02	215.64

Weighted average assumptions used to determine net periodic benefit cost:

Particulars	31 March 2024	31 March 2023
Number of active members	9,457	8,542
Per month salary cost for all active members (₹ million)	353.45	277.50
Weighted average duration of the projected benefit obligation (years)	6.00	6.00
Average expected future service (years)	6.00	6.00
Projected benefit obligation (₹ million)	678.12	535.16
Prescribed contribution for next year (12 months) (₹ million)	80.00	80.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

37 SHARE BASED PAYMENTS

37.1 EMPLOYEE STOCK OPTION SCHEME - 2019

In accordance with the terms of the approved Composite Scheme, KPIT Engineering Limited (now known as KPIT Technologies limited) ("Resulting Company") had issued the stock options to the employees holding options of the KPIT Technologies Limited (now known as BirlaSoft Limited) ("Transferee Company" or "Demerged Company") as at the appointed date. The options issued consisted of:

i. 1,807,450 options of the Transferee Company ("Birlasoft options"), equivalent to the number of options outstanding as at the appointed date;

ii. 1,807,450 options of the Resulting Company ("KPIT options"), in the ratio of 1:1 for every outstanding stock options held by the employees in the Transferee Company.

The Board of Directors of the Company approved the Employees Stock Option Scheme at their meeting held on 15 May 2019. Pursuant to this approval, the Company instituted ESOS 2019 in May 2019. The compensation committee of the Company administers this Plan. Each type of option carries with it the right to purchase one equity share of the Demerged Company or the Resulting Company as the case may be. In terms of clause 18.5 of the Composite Scheme, the stock options had been granted at an exercise price which was the pre-demerger exercise price suitably adjusted in the manner of share exchange ratio. Further, as per the Composite Scheme, the Company had taken into account the vesting period completed, under the plan in the Demerged Company, prior to the grant of options to the employee under the ESOS 2019. The maximum exercise period is 5 years from the date of vesting.

The outstanding stock options held by employees of the Demerged Company as at 31 March 2024 are 22,200 and 20,000 of Birlasoft options and KPIT options respectively. The employee compensation cost for such employees is not eligible for recognition in the books of the Company.

The number of outstanding Birlasoft options held by employees of the Company as at 31 March 2024 are Nil. The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in this respect in the Statement of Profit and Loss.

Below are the details pertaining to the KPIT options held by employees of the Company:

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	120,800	46.34	210,300	45.75
Forfeited/surrendered during the year	-	-	2,800	44.96
Exercised during the year	118,600	46.36	84,600	44.96
Lapsed during the year	2,200	44.96	2,100	44.96
Options outstanding at the end of the year	-	-	120,800	46.34
Options exercisable at the end of the year	-	-	120,800	46.34

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 667.89.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2023-24		FY 2022-23	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	NA	Nil	0.30	100,800
₹ 50 to ₹ 100	NA	Nil	2.07	20,000

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model.

The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

37.2 EMPLOYEE STOCK OPTION SCHEME – 2019A

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Scheme at their meetings held on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESOS 2019A in July 2019. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The options approved under this scheme are 3,793,923.

The options had been originally granted to employees of the Company and its subsidiaries at an exercise price equivalent to the fair market price of the Company's share as on the date of grant of options. The Nomination and Remuneration Committee of the Board of Directors of the Company, in its meeting held on 30 July 2020 approved the modification in the exercise price of the options granted. The exercise price is modified to ₹ 10 per option.

The options would vest not earlier than statutory minimum vesting period of 1 year and up to the maximum period of 4 years from the date of grant of options or such period as may be decided by the Committee at the time of each grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of options. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	2,710,825	10.00	3,130,440	10.00
Options granted during the year	80,000	10.00	241,250	10.00
Forfeited/surrendered during the year	47,200	10.00	161,500	10.00
Exercised during the year	679,770	10.00	496,665	10.00
Lapsed during the year	2,500	10.00	2,700	10.00
Options outstanding at the end of the year	2,061,355	10.00	2,710,825	10.00
Options exercisable at the end of the year	1,776,380	10.00	112,925	10.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 1,135.78.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2023-24		FY 2022-23	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	4.09	2,061,355	4.93	2,710,825

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	FY 2023-24	FY 2022-23
Exercise price (₹)	10.00	10.00
Weighted average price of the underlying share in market at the time of the option grant (₹)	1,145.01	595.07
Weighted average fair value of options granted (₹)	1,123.94	536.23
Expected life of the option (years)	3.76	3.76
Risk free interest rate (%)	6.95	7.00
Expected volatility (%)	47.36	48.69
Dividend yield (%)	0.32	0.53

The Company recorded an employee compensation cost of ₹ 44.83 million (Previous year ₹ 60.12 million) in the Statement of Profit and Loss. This is net of recoveries from subsidiaries ₹ 46.44 million (Previous year ₹ 52.91 million).

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

37.3 EMPLOYEE SHARE PURCHASE SCHEME – 2019

The Board of Directors and the shareholders of the Company approved Employee Share Purchase Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESPS 2019 in July 2019. The compensation committee of the Company administers this Plan. The shares approved under this scheme are 40,000 equity shares. The shares have been granted to employees of the Company and its subsidiaries at a price not less than the face value per share of the Company at the time of the offer.

Number and offer prices of shares granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	-	-	25	10.00
Shares granted during the year	-	-	-	-
Exercised during the year	-	-	25	10.00
Cancelled during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

The Company recorded an employee compensation cost of ₹ Nil million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

38 INCOME TAXES

The income tax expense consists of following:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Tax expense		
Current tax	1,085.31	857.68
Deferred tax (benefit)/charge	26.88	(3.76)
Total tax expense	**1,112.19**	**853.92**

The net charge relating to temporary differences during the year ended 31 March 2024 is primarily on account of property, plant & equipment, intangible assets, leases, employee benefits and provisions.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	4,380.47	3,655.53
Indian statutory income tax rate	34.944%	34.944%
Expected income tax expense	1,530.71	1,277.39
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax exemption/tax holiday	(664.87)	(637.09)
Effect of permanent adjustments	98.37	133.82
Effect of unrecognized deferred tax assets	(2.27)	4.99
Effect relating to prior years	(6.25)	-
Other (net)	156.50	74.81
Total tax expense	**1,112.19**	**853.92**

The Company benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ). Accordingly, units designated in SEZ are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Company expires in various years through fiscal year 2027. From 1 April 2011, units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

DEFERRED TAX

Gross movement in deferred income tax account for the year ended 31 March 2024:

Particulars	Net deferred income tax (liability) / asset at the beginning as on 1 April 2023	Recognised in Profit and Loss Credit / (Charge) relating to temporary differences	Recognised in other comprehensive income	MAT credit entitlement/ (utilisation) during the year	Net deferred income tax (liability) / asset at the end as at 31 March 2024
Deferred tax asset					
Property, plant and equipment and intangible assets	9.35	(9.35)	-	-	-
Provision for employee benefits	95.54	6.68	22.49	-	124.71
Forward contracts designated as cash flow hedge	26.00	-	(26.00)	-	-
MAT credit entitlement	332.76	-	-	(146.22)	186.54
Provisions	69.82	24.44	-	-	94.26
Others	28.18	0.82	-	-	29.00
Total deferred tax asset	**561.65**	**22.59**	**(3.51)**	**(146.22)**	**434.51**
Deferred tax liabilities					
Property, plant and equipment and intangible assets	-	51.91	-	-	51.91
Forward contracts designated as cash flow hedge	-	-	46.81	-	46.81
Others	4.77	(2.44)	-	-	2.33
Total deferred tax liability	**4.77**	**49.47**	**46.81**	**-**	**101.05**
Net deferred tax asset/(liability)	**556.88**	**(26.88)**	**(50.32)**	**(146.22)**	**333.46**

Gross movement in deferred income tax account for the year ended 31 March 2023:

Particulars	Net deferred income tax (liability) / asset at the beginning as on 1 April 2022	Recognised in Profit and Loss Credit / (Charge) relating to temporary differences	Recognised in other comprehensive income	MAT credit entitlement/ (utilisation) during the year	Net deferred income tax (liability) / asset at the end as at 31 March 2023
Deferred tax asset					
Property, plant and equipment and intangible assets	14.83	(5.48)	-	-	9.35
Provision for employee benefits	67.66	(3.00)	30.88	-	95.54
Forward contracts designated as cash flow hedge	-	26.00	-	-	26.00
MAT credit entitlement	466.16	-	-	(133.40)	332.76
Provisions	64.37	5.45	-	-	69.82
Others	36.48	(34.30)	26.00	-	28.18
Total deferred tax asset	**649.50**	**(11.33)**	**56.88**	**(133.40)**	**561.65**
Deferred tax liabilities					
Forward contracts designated as cash flow hedge	30.68	-	(30.68)	-	-
Others	19.86	(15.09)	-	-	4.77
Total deferred tax liability	50.54	(15.09)	(30.68)	-	4.77
Net deferred tax asset/(liability)	**598.96**	**3.76**	**87.56**	**(133.40)**	**556.88**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

39 BASIC AND DILUTED EARNINGS PER SHARE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Face value per equity share (₹)	**10.00**	**10.00**
Profit for the year (₹ million)	3,268.28	2,801.61
Weighted average number of equity shares outstanding	270,893,910	270,123,511
Earnings per share – basic (₹)	**12.06**	**10.37**
Weighted average number of equity shares outstanding	270,893,910	270,123,511
Add: Effect of dilutive potential equity shares on account of employee stock options	2,246,952	2,975,056
Weighted average number of diluted equity shares	273,140,862	273,098,567
Earnings per share – diluted (₹)	**11.97**	**10.26**

40 LEASE TRANSACTIONS

COMPANY AS A LESSEE

The Company's lease asset classes primarily consist of leases for land, buildings, plant & equipments and vehicles.

A Refer note 5 for changes in the carrying amount of right of use assets.

B Break up of current and non-current lease liabilities

Particulars	31 March 2024	31 March 2023
Non-current lease liabilities	460.34	431.27
Current lease liabilities	216.05	130.04
Total	**676.39**	**561.31**

C Movement in lease liabilities

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	561.31	795.01
Additions during the year	280.65	25.25
Finance cost accrued on lease liabilities	57.78	57.88
Payment of lease liabilities	223.05	188.14
Termination/modification of leases	0.30	128.69
Balance at the end of the year	**676.39**	**561.31**

D Contractual maturity analysis of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2024	31 March 2023
Not later than one year	268.33	173.33
Later than one year and not later than five years	488.08	418.53
Later than five years	47.65	95.28
Total undiscounted lease liabilities	**804.06**	**687.14**

The Company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Rental expense recorded in the Statement of Profit and Loss consist of :

a. Short-term leases - ₹ 23.24 million (Previous Year ₹ 15.50 million).

b. Low value leases - ₹ 0.52 million (Previous Year ₹ 0.85 million).

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

41.1 WARRANTY

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required to maintain the software during the period of warranty, the estimated cost of which is accrued at the time of sale of license of software to the customers/at the time of providing service. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The movement in the said provision is as under:

Particulars	31 March 2024	31 March 2023
Carrying amount as at the beginning of the year	169.35	123.10
Additional provision made during the year	74.01	46.25
Carrying amount at the end of the year	243.36	169.35

The expected period of utilisation of warranty provision cannot be reasonably estimated as at the reporting date.

41.2 PROVISION FOR CLAIMS

Provision for claims represents the cash outflows estimated by the Company against the claims made. The timing of cash outflows in respect of such provision cannot be reasonably determined. The movement in the said provision is as under:

Particulars	31 March 2024	31 March 2023
Carrying amount as at the beginning of the year	-	175.00
Reversal of provision	-	(75.00)
Provision utilised during the year	-	(100.00)
Carrying amount at the end of the year	-	-

41.3 CONTINGENT LIABILITIES

Particulars	31 March 2024	31 March 2023
Outstanding bank guarantees in routine course of business	44.75	21.16
GST related matters appealed by the Company	2.98	-

41.4 COMMITMENTS

Particulars	31 March 2024	31 March 2023
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
a. Property, plant and equipment	89.80	115.89
b. Intangible assets	18.99	22.64
(ii) Leases not yet commenced to which the Company is committed (on an undiscounted cash flows basis)	303.70	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

42 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 2024 is ₹ 16.25 million (Previous year - ₹ 3.14 million). Estimated interest due thereon is ₹ Nil (Previous year - ₹ Nil).

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

c. The amount of estimated interest accrued and remaining unpaid as at 31 March 2024 is ₹ Nil (Previous year - ₹ Nil).

d. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 is ₹ Nil.

43 RELATED PARTY DISCLOSURES

43.1 RELATED PARTY DISCLOSURES WHERE CONTROL EXISTS

A. Direct subsidiaries

S. No.	Name of the subsidiary	Country of incorporation	% voting power held	
			31 March 2024	31 March 2023
Direct subsidiaries				
1	KPIT Technologies (UK) Limited[(i)]	United Kingdom	100	100
2	KPIT (Shanghai) Software Technology Co. Limited	China	100	100
3	KPIT Technologies Netherlands B.V.	Netherlands	100	100
4	KPIT Technologies Pte Ltd. (upto 4 July 2022)[(ii)]	Singapore	-	-
5	KPIT Technologies Holding Inc.	United States of America	100	100
6	KPIT Technologias Ltda.[(iii)]	Brazil	100	100
7	PathPartner Technology Private Limited	India	80	80
8	KPIT Technologies GK[(iv)]	Japan	100	100
9	Qorix GmbH (w.e.f. 10 March 2023)	Germany	100	100

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

ii. Striking off of KPIT Technologies Pte Ltd. is completed on 4 July 2022.

iii. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA

iv. Includes branch KPIT Technologies GK, Korea

B. Indirect subsidiaries

S. No.	Name of the subsidiary	Country of incorporation	31 March 2024	31 March 2023
Indirect subsidiaries				
1	KPIT Technologies GmbH, Germany[(i)] (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100	100
2	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100	100

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Name of the subsidiary	Country of incorporation	31 March 2024	31 March 2023
Indirect subsidiaries				
3	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	100
4	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	80	80
5	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	80	80
6	KPIT Tech (Thailand) Co., Ltd.[ii] (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100	100
7	SOMIT Solutions Limited (w.e.f. 30 May 2022) (Subsidiary of KPIT Technologies (UK) Limited)	United Kingdom	100	100
8	SOMIT Solutions Inc (w.e.f. 30 May 2022) (Subsidiary of SOMIT Solutions Limited)	United States of America	100	100
9	KPIT Technologies S.A.S. (w.e.f. 23 September 2022) (Subsidiary of KPIT Technologies Netherlands B.V.)	France	100	100
10	Technica Engineering GmbH (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	100
11	Technica Electronics Barcelona S.L. (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies GmbH, Germany)	Spain	100	100
12	Technica Engineering Spain S.L. (w.e.f 1 October 2022) Subsidiary of KPIT Technologies GmbH, Germany)	Spain	100	100
13	Technica Engineering Inc. (w.e.f 1 October 2022 (Subsidiary of KPIT Technologies Inc.)	United States of America	100	100
14	FMS Future Mobility Solutions GmbH (w.e.f. 1 April 2023) (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	NA

i. 72.73% owned by KPIT Technologies (UK) Limited and 27.27% owned by KPIT Technologies Limited, India

ii. 98.31% owned by KPIT Technologies (UK) Limited, 0.06% owned by KPIT Technologies Limited, India and 1.63% owned by KPIT Technologies GmbH, Germany.

C. EMPLOYEE BENEFIT TRUSTS

S. No.	Name of the subsidiary	Country of incorporation	31 March 2024	31 March 2023
1	KPIT Technologies Employees Welfare Trust	India	100	100
2	KPIT Technologies Limited Employees Group Gratuity Scheme	India	100	100

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

43.2 Related parties where significant influence exists (associates and joint ventures in which the entity is a joint venturer)

S. No.	Name of the subsidiary	Country of incorporation	31 March 2024	31 March 2023
1	PathPartner Interior Sensing Private Limited (upto 23 September 2022)	India	-	-
2	FMS Future Mobility Solutions GmbH (upto 31 March 2023)	Germany	NA	25
3	Yantra Digital Services Private Limited (upto 23 August 2022)	India	-	-
4	N-Dream AG (w.e.f 14 December 2023)	Switzerland	13.01	-

43.3 List of Key Management Personnel:

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit	Non-Executive Director
	Mr. Kishor Patil	Executive Director
	Mr. Sachin Tikekar	Executive Director
	Mr. Anup Sable	Executive Director
	Mr. Chinmay Pandit	Additional and Executive Director (w.e.f. 26 July 2022)
	Mr. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Nickhil Jakatdar	Independent Director (upto 15 January 2024)
	Ms. Bhavna Doshi	Independent Director
	Prof. Rajiv Lal	Independent Director
	Mr. Srinath Batni	Additional and Independent Director (w.e.f. 25 July 2023)
	Ms. Priyamvada Hardikar	Chief Financial Officer
	Ms. Nida Deshpande	Company Secretary

43.4 List of other related parties with whom there are transactions:

Promoter	Mr. Ajay Bhagwat (w.e.f. 1 April 2022)
	Ms. Ashwini Bhagwat (w.e.f. 1 April 2022)
	Mr. Shrikrishna Patwardhan (w.e.f. 1 April 2022)
Relative of KMP	Mr. S.B.(Ravi) Pandit (w.e.f. 26 July 2022)
	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Asha Khandkar
	Mr. Ameya Mehendale
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited (upto 26 July 2022)
	Proficient FinStock LLP
	Kirtane & Pandit LLP
	K & P Management Services Private Limited
	Sentient Labs Private Limited
	KP Capital Advisors Private Limited

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

43.5 Transactions with related parties

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
Transactions with subsidiary companies[1]					
1	**KPIT Technologies Holding Inc.**				
	Investment in equity	Nil	1,254.60	Nil	1,254.60
	Dividend received	Nil	Nil	Nil	Nil
2	**MicroFuzzy Industrie-Elektronic GmbH**				
	Sales	643.48	(82.08)	556.46	(107.28)
	Reimbursement revenue	(1.22)		46.78	
	Advance given (net)	0.45	(0.76)	0.61	0.59
	Reimbursement of expenses (net)	(2.08)		(4.61)	
3	**KPIT Technologies GmbH**				
	Sales	2,685.30	492.03	2,457.30	661.65
	Reimbursement revenue	74.94		36.77	
	Allocation of administrative support charges	97.28		125.89	
	Investment in equity	1,337.30	4,895.26	3,233.81	3,557.96
	Software service charges	Nil	Nil	Nil	(0.08)
	Advance given (net)	17.00	(53.56)	36.60	3.47
	Reimbursement of expenses (net)	75.41		(9.87)	
4	**KPIT Technologies (UK) Limited**				
	Sales	2,002.22	365.99	1,230.27	146.46
	Reimbursement revenue	12.73		17.43	
	Allocation of administrative support charges	39.25		33.86	
	Software service charges	Nil	Nil	Nil	(0.00)*
	Investment in equity	Nil	1,273.72	Nil	1,273.72
	Advance given (net)	12.14	5.85	13.78	2.23
	Reimbursement of expenses (net)	23.79		0.08	
	Dividend received	Nil	Nil	Nil	Nil
	Purchase of stake in KPIT Technologies GmbH	Nil	Nil	324.16	Nil
5	**KPIT Technologies GK**				
	Sales	3,967.39	558.08	1,850.34	496.96
	Reimbursement revenue	190.90		13.67	
	Allocation of administrative support charges	51.72		29.09	
	Investment in equity	Nil	18.08	Nil	18.08
	Advance given (net)	25.78	5.09	16.82	3.99
	Reimbursement of expenses (net)	(5.53)		(1.89)	
	Dividend received	Nil	Nil	Nil	Nil
6	**KPIT Technologies GK (South Korea Branch)**				
	Sales	140.38	64.30	41.60	(1.48)
	Reimbursement revenue	0.35		Nil	
	Advance given (net)	1.42	0.00*	Nil	(0.24)
	Reimbursement of expenses (net)	0.30		0.00*	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
7	**KPIT (Shanghai) Software Technology Co. Limited**				
	Sales	235.14	37.94	234.49	41.28
	Reimbursement revenue	5.33		8.26	
	Allocation of administrative support charges	5.90		4.23	
	Software service charges	Nil	Nil	Nil	(1.06)
	Investment in equity	Nil	128.84	Nil	128.84
	Advance given (net)	0.45	0.08	Nil	Nil
	Reimbursement of expenses (net)	(0.06)		Nil	
8	**KPIT Technologies (UK) Limited (Italy branch)**				
	Sales	Nil	(0.09)	Nil	(0.09)
	Reimbursement revenue	Nil		Nil	
	Advance given (net)	Nil	Nil	1.15	Nil
9	**KPIT Technologies (UK) Limited (Sweden branch)**				
	Sales	34.83	8.34	18.97	2.77
	Reimbursement revenue	Nil		Nil	
	Advance given (net)	Nil	Nil	2.58	0.72
	Reimbursement of expenses (net)	(0.11)		0.02	
10	**KPIT Technolgias Ltda**				
	Investment in equity	Nil	17.48	Nil	17.48
11	**KPIT Technologies Netherlands B.V.**				
	Sales	613.96	40.89	517.14	70.13
	Reimbursement revenue	8.56		9.13	
	Allocation of administrative support charges	13.71		13.75	
	Investment in equity	Nil	34.30	Nil	34.30
	Advance given (net)	3.75	(1.62)	5.98	0.90
	Reimbursement of expenses (net)	(0.71)		0.29	
Transactions with subsidiary companies[1]					
12	**KPIT Technologies Inc., USA**				
	Sales	6,565.12	1,268.80	5,800.58	1,254.74
	Reimbursement revenue	88.79		58.21	
	Allocation of administrative support charges	201.95		197.14	
	Software service charges	Nil	Nil	Nil	(0.12)
	Advance given (net)	24.29	(5.48)	39.00	(0.74)
	Reimbursement of expenses (net)	5.31		(15.60)	
13	**KPIT Tech (Thailand) Co., Ltd.**				
	Advance given (net)	0.35	0.30	0.80	1.02
	Reimbursement of expenses (net)	(0.14)		(0.14)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
14	**PathPartner Technology Private Limited**				
	Sales	10.44	2.71	0.17	0.20
	Software service charges	12.77	0.14	0.40	(0.43)
	Reimbursement of expenses (net)	(93.48)	7.72	104.37	(107.90)
15	**SOMIT Solutions Limited**				
	Sales	0.98	0.67	2.11	2.11
16	**SOMIT Solutions Inc.**				
	Sales	1.58	0.96	6.44	6.44
17	**KPIT Technologies S.A.S.**				
	Sales	1,066.54	313.31	Nil	Nil
	Reimbursement revenue	25.74		Nil	
	Allocation of administrative support charges	28.44		Nil	
	Advance given (net)	15.13	(1.45)	14.74	13.91
	Reimbursement of expenses (net)	(0.42)		0.38	
18	**Qorix GmbH**				
	Investment in equity	406.13	450.64	44.52	44.52
	Sale of asset	901.00	902.20	Nil	Nil
19	**Technica Engineering GmbH**				
	Software service charges	9.62	(0.62)	Nil	Nil
20	**Technica Electronics Barcelona S.L.**				
	Software service charges	4.88	(0.00)*	Nil	Nil
21	**PathPartner Technology Inc.**				
	Sales	0.41	0.41	Nil	Nil
Transactions with Joint Venture/Associate [i]					
1	**Yantra Digital Services Private Limited**				
	Proceeds from liquidation process	Nil	Nil	0.98	Nil
2	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	Nil	Nil	Nil	Nil
3	**N-Dream AG**				
	Investment in equity (net of derivative)	86.75	86.75	NA	NA
Transactions with Key Management Personnel and relative of Key Management Personnel [i] & [ii]					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	Nil	Nil
	Dividend paid	4.70	Nil	3.26	Nil
	Commission paid	10.39	Nil	7.75	Nil
	Sitting fees	0.55	Nil	0.66	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.14	Nil	0.14	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
2	**Mr. Kishor Patil**				
	Short term employee benefits	62.95	Nil	50.48	Nil
	Post employment benefits	2.85	Nil	2.17	Nil
	Dividend paid	63.39	Nil	44.04	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	1.04	0.08	0.86	1.12
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	22.03	Nil	45.01	Nil
	Post employment benefits	2.06	Nil	1.62	Nil
	Dividend paid	3.52	Nil	2.45	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.57	0.03	0.45	(0.09)
4	**Mr. Anup Sable**				
	Short term employee benefits	16.00	Nil	12.85	Nil
	Post employment benefits	0.42	Nil	0.35	Nil
	Share based compensation	2.07	Nil	2.64	Nil
	Dividend paid	1.91	Nil	1.33	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	2.18	0.29	2.27	(0.70)
5	**Mr. Chinmay Pandit**				
	Short term employee benefits	Nil	Nil	0.06	Nil
	Post employment benefits	Nil	Nil	Nil	Nil
	Dividend paid	0.18	Nil	0.13	Nil
	Reimbursement of expenses (net)	Nil	Nil	Nil	Nil
6	**Mr. Anant Talaulicar**				
	Commission paid	6.75	Nil	4.92	Nil
	Sitting fees	0.59	Nil	0.66	Nil
7	**Mr. B V R Subbu**				
	Commission paid	3.97	Nil	3.29	Nil
	Sitting fees	0.43	Nil	0.52	Nil
	Reimbursement of expenses (net)	0.02	Nil	Nil	Nil
8	**Ms. Shubhalakshmi Panse**				
	Commission paid	NA	NA	0.49	Nil
	Sitting fees	NA	NA	Nil	Nil
9	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	4.91	Nil	4.06	Nil
	Reimbursement of expenses (net)	0.42	Nil	0.80	Nil
	Sitting fees	0.20	Nil	0.26	Nil
10	**Mr. Nickhil Jakatdar**				
	Commission paid	2.67	Nil	2.09	Nil
	Sitting fees	0.09	Nil	0.21	Nil
	Reimbursement of expenses (net)	1.17	Nil	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
11	**Ms. Bhavna Doshi**				
	Sitting fees	0.41	Nil	0.42	Nil
	Commission paid	3.80	Nil	1.25	Nil
12	**Prof. Rajiv Lal**				
	Sitting fees	0.25	Nil	0.26	Nil
	Commission paid	3.97	Nil	0.47	Nil
	Reimbursement of expenses (net)	0.01	Nil	Nil	Nil
13	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	14.88	Nil	10.68	Nil
	Post employment benefits	0.31	Nil	0.28	Nil
	Share based compensation	2.04	Nil	2.48	Nil
	Perquisites	0.02	Nil	8.60	Nil
	Dividend paid	0.34	Nil	0.21	Nil
	Reimbursement of expenses (net)	0.27	(0.00)*	0.32	(0.13)
14	**Ms. Nida Deshpande**				
	Short term employee benefits	4.50	Nil	3.21	Nil
	Post employment benefits	0.17	Nil	0.11	Nil
	Perquisites	0.48	Nil	Nil	Nil
	Dividend paid	0.00*	Nil	0.00*	Nil
	Reimbursement of expenses (net)	0.01	Nil	0.00*	Nil
	Share based compensation	0.01	Nil	0.07	Nil
15	**Ms. Jayada Pandit**				
	Short term employee benefits	1.02	Nil	2.57	Nil
	Post employment benefits	0.03	Nil	0.07	Nil
16	**Ms. Manasi Patil**				
	Short term employee benefits	3.22	Nil	2.88	Nil
	Post employment benefits	0.10	Nil	0.08	Nil
	Dividend paid	0.01	Nil	0.01	Nil
	Perquisites	0.02	Nil	Nil	Nil
17	**Ms. Hemlata Shende**				
	Dividend paid	0.10	Nil	0.07	Nil
18	**Ms. Anupama Patil**				
	Dividend paid	0.55	Nil	3.16	Nil
19	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	1.14	Nil	0.79	Nil
20	**Ms. Asha Khandkar**				
	Dividend paid	0.00*	Nil	0.00*	Nil
21	**Mr. Ameya Mehendale**				
	Dividend paid	0.00*	Nil	0.00*	Nil
22	**Mr. Srinath Batni**				
	Sitting fees	0.16	Nil	NA	NA

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Particulars	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
Transactions with promoters (i) & (ii)					
1	**Mr. Ajay Bhagwat**				
	Dividend paid	11.49	Nil	8.70	Nil
2	**Ms. Ashwini Bhagwat**				
	Dividend paid	0.21	Nil	0.14	Nil
3	**Mr. Shrikrishna Patwardhan**				
	Short term employee benefits	0.56	Nil	4.51	Nil
	Post employment benefits	0.03	Nil	0.19	Nil
	Reimbursement of expenses (net)	0.19	Nil	0.00*	(0.33)
	Perquisites	0.02	Nil	Nil	Nil
	Dividend paid	5.23	Nil	3.63	Nil
Transactions with enterprise over which Key Management Personnel have significant influence (i)					
1	**Kirtane & Pandit LLP**				
	Professional fees	2.18	(0.21)	1.74	0.04
2	**K & P Management Services Private Limited**				
	Dividend paid	1.43	Nil	0.99	Nil
3	**KP Capital Advisors Private Limited**				
	Professional fees	NA	NA	0.42	0.02
4	**KP Corporate Solutions Limited**				
	Professional fees	NA	NA	0.90	NA
5	**Proficient FinStock LLP**				
	Settlement of advance	Nil	Nil	Nil	Nil
	Dividend paid	422.09	Nil	293.24	Nil
6	**Sentient Labs Private Limited**				
	Advance received (net)	21.75	(2.40)	128.00	8.51
	Reimbursement of expenses (net)	9.16		181.29	
Transactions with Employee benefit trust					
1	**KPIT Technologies Limited Employees Group Gratuity Scheme**				
	Contribution to post employment benefit plan	61.63	257.58	80.26	229.55

**Since denominated in ₹ millions.*

(i) All transactions with these related parties are priced on an arm's length basis.

(ii) Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

44 ANALYTICAL RATIOS

Ratio/measure	Numerator	Denominator	31 March 2024	31 March 2023	Variance
Current ratio	Current assets	Current liabilities	1.66	1.69	-1.68%
Debt-equity ratio	Total debt[a]	Shareholders' equity	0.04	0.04	3.31%
Debt service coverage ratio	Earnings available for debt service[b]	Debt service[c]	15.19	17.94	-15.35%
Return on equity	Net profits after taxes	Average shareholders' equity	21.89%	21.53%	1.69%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.76	4.39	8.45%
Trade payables turnover ratio (Refer note iii below)	Purchase of services and other expenses	Closing trade payables[e]	3.00	3.29	-8.81%
"Net capital turnover ratio (Refer note iv below)	Revenue from operations	Working capital	6.62	6.20	6.88%
Net profit ratio	Net profit after tax	Revenue	16.21%	18.48%	-12.28%
Return on capital employed	Earning before interest and taxes	Capital Employed[d]	27.61%	27.38%	0.83%
Return on investment (treasury operations)	Income generated from investments[f]	Time weighted average investment			
Quoted (Refer note i below)			6.73%	4.74%	41.98%
Unquoted			6.31%	5.20%	21.35%

Notes:

a. Debt includes current and non-current lease liabilities.

b. Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + interest + other adjustments like loss on sale of fixed assets etc.

c. Debt service includes lease payments for the year. It excludes working capital repayment (if any) during the year.

d. Capital Employed = Tangible net worth + Total debt

e. Trade payables include provision for expenses.

f. Income generated from investments include interest income, net gain on sale of investments and net fair value gain.

EXPLANATION FOR VARIANCES EXCEEDING 25%

i. Return on investment increased due to external market conditions during the year ended 31 March 2024.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

45 EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY

A. EXPENDITURE IN FOREIGN CURRENCY

Particulars	31 March 2024	31 March 2023
Cost of professional sub-contracting (net)	25.47	20.70
Employee benefits expense	46.67	31.42
Finance costs	19.60	0.08
Legal and professional fees	86.20	8.64
Recruitment and training expenses	72.04	19.65
Marketing expenses	23.62	43.21
Travel expenses	27.32	43.18
Repairs and maintenance	21.55	14.46
Bad debts written off	4.39	1.79
Provision for doubtful debts and advances (net)	75.67	68.17
Other expenses	64.15	39.21

B. EARNINGS IN FOREIGN CURRENCY

Particulars	31 March 2024	31 March 2023
Revenue from operations	18,673.04	13,789.25
Other non-operating income	394.44	0.02

46 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.

47 INVESTMENT IN N-DREAM AG

During the current year, the Company has entered into Shareholders' Agreement, Share Purchase Agreement, and Investment and Subscription Agreement for a strategic investment in N-Dream AG (N-Dream). N-Dream AG is a Cloud based Game Aggregation Platform company based in Switzerland. This strategic investment in N-Dream AG is part of Company's roadmap to enable Automotive OEMs enhance the driver & passenger experience in the Cockpit of the Future.

The Company has done an initial strategic investment of 13.01% stake in N-Dream for a total cash consideration of EUR 3.00 million.

Further, in accordance with the agreements entered into, the Company has multiple options to increase its shareholding over the period of next 4 years in a staggered manner. As at the investment date, the Company has recognised derivate asset for the same. The derivative asset is initially measured at fair value and correspondingly adjusted in the cost of investment amounting to ₹ 184.45 million. As at 31 March 2024, the fair value of derivative asset is ₹ 179.23 million. Fair valuation impact of ₹ 5.46 million is recognised in the Statement of Profit & Loss for the year ended 31 March 2024.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

48 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company, as per section 135 of the Companies Act 2013, is required to spend towards CSR, in various activities as specified in Schedule VII of the Companies Act 2013, read with the Rules thereunder, as direct spend for purposes other than construction/acquisition of any asset.

Particulars		31 March 2024	31 March 2023
a.	Amount approved by the Board and required to be spent by the Company during the year	50.74	41.83
b.	Amount of expenditure incurred for purposes other than construction/ acquisition of any asset (Refer note i below)	50.74	41.86
c.	Shortfall at the end of the year	-	-
d.	Total of previous years shortfall	-	-
e.	Reason for shortfall	NA	NA
f.	Nature of CSR activities	Environmental sustainability, Promoting education, Training to promote Olympic sports, Women empowerment, Ecological balance and Covid 19 relief.	
g.	Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-

Note:

(i) Includes a provision amount of ₹ 9.50 million (Previous year ₹ Nil million) towards unspent CSR expenses. This unspent amount has been deposited to "CSR Unspent Account FY 2023-24" on 5 April 2024.

Movement in the unspent CSR provision amount is as under:

Particulars	31 March 2024	31 March 2023
Carrying amount as at the beginning of the year	-	-
Additional provision made during the year	9.50	-
Spend during the year	-	-
Carrying amount at the end of the year	9.50	-

Also, refer Annexure 5 of the Director's Report.

49 DISCLOSURE UNDER RULE 11(E) AND 11(F) OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014

FOR THE YEAR ENDED 31 MARCH 2024

S No	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	11 April 2023	896.60	Settlement of deferred consideration towards Technica Group.
2	KPIT Technologies GmbH	27 September 2023	440.70	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

FOR THE YEAR ENDED 31 MARCH 2023

S No	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	4 October 2022	3,233.80	Acquisition of 100% stake in Technica Engineering GmbH

50 ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE COMPANIES ACT 2013

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company (other than as mentioned in note 48) has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(ix) None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

51 The Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares, except for the instances mentioned below:

(i) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining all books of accounts.

(ii) The feature of recording audit trail (edit log) facility was not enabled for certain fields and tables at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables, Payroll, Financial reporting, Property, plant and equipments, Purchase and payables.

For the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software there were no instance of the audit trail feature being tampered with. Further, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls (including IT General Controls) were operating effectively as at 31 March 2024 and have no impact on the Financial Statements of the Company.

52 The Company has established a system of maintenance of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income Tax Act 1961. The Company is in the process of updating the documentation for the financial year 2023-2024.

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: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of KPIT Technologies Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of KPIT Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2024, 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 material 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 report of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2024, 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 and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Revenue recognition in respect of fixed price contracts

See Note 43 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group engages into fixed-price contracts with customers. In respect of fixed-price contracts, revenue is recognized using percentage of completion computed as per the input method. This is based on the Group's estimate of contract costs and efforts for completion of contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Contract estimates are formed by the Group considering the following: 1. Application of the revenue recognition accounting standard is complex. It involves a number of key judgements and estimates. One of the key estimate is total cost-to-completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation.	Our audit procedures in this area included the following: • Obtained an understanding of the systems, processes and controls implemented by the Group and evaluating the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue. • Tested the design and operating effectiveness of key IT controls over IT environment in which the business systems operate. This includes access controls, program change controls, program development controls and IT operation controls; • For selected samples of contracts, we inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by: i. Evaluating the identification of performance obligations.

The key audit matter	How the matter was addressed in our audit
2. There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. 3. These contracts may involve onerous obligations on the Group requiring critical estimates to be made. 4. Contracts are subject to modification to account for changes in contract specification and requirements. 5. At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet representing the work completed, costs incurred and accrued. Considering the significant estimate involved in recognition of revenue based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter. (Refer note 2.3(i), 3.14 and 43 to the consolidated financial statements)	ii. Agreeing the transaction price to the underlying contracts. iii. Inspecting the approval of the estimates of cost to complete. iv. Challenging the Group's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract. v. Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. vi. Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115. vii. Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.

Key audit matter - Impairment of goodwill

See Note 7 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group is required to test goodwill for impairment every year or more frequently when there is an indication of impairment. The impairment charge is determined by comparing the carrying value of goodwill with its recoverable amount. We consider the impairment testing of goodwill by the Group to involve significant estimates and judgment.	Our audit procedures in this area included the following: • Assessed Group's evaluation of identification of cash generating units and allocation of goodwill to the respective CGUs; • Evaluated the Group's assessment of recoverable amount and impairment assessment for goodwill;

The key audit matter	How the matter was addressed in our audit
There is inherent uncertainty involved in forecasting and discounting future cashflows, which are the basis of the assessment of recoverability. Considering the significant judgement involved, impairment of goodwill is identified as a key audit matter. Refer note 2.3(v) and 6 to the consolidated financial statements	• Tested the arithmetical accuracy of the cash flow projections and impairment assessment made by the Group; • We challenged the Group's assumptions used in impairment analysis, such as projected EBITDA & revenue growth rate, terminal growth rates and discount rates, by: i. comparing the same to externally derived data and industry comparators, where available; ii. assessing the sensitivity of key assumptions on the impairment assessment; iii. comparing the forecasts against the historical performance. This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuations team for above testing; • Performed sensitivity analysis of the key assumptions, such as future revenue growth rates and the discount rate used in determining the recoverable value; • Evaluated the adequacy of the disclosures of key assumptions and judgements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

MANAGEMENT'S AND BOARD OF DIRECTORS'/ BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ Board of Trustees of the Employee Stock Option Plan (ESOP) Trust included in the Group and the respective Management and Board of Directors of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/ ESOP

Trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/ Board of Trustees of the ESOP Trust included in the Group and the respective Management and Board of Directors of its associate are responsible for assessing the ability of each company/ ESOP Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/ Board of Trustees either intends to liquidate the Company/ ESOP Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Board of Trustees of the ESOP Trust included in the Group and the respective Management and Board of Directors and the respective Board of Directors/ Board of Trustees of its associate are responsible for overseeing the financial reporting process of each company/ ESOP Trust.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

a. We did not audit the financial statements of 12 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 8,589.55 million as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 12,125.01 million and net cash flows (before consolidation adjustments) amounting to ₹ 678.21 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements of 5 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 2,105.98 million as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 1,052.37 million and net cash flows (before consolidation adjustments) amounting to ₹ 697.96 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net loss of ₹ 5.37 million for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, 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 report of the other auditor except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

   a. There were no pending litigations as at 31 March 2024 which would impact the consolidated financial position of the Group and its associate.

   b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

   c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2024.

   d. (i) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the Note 55 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary

company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 56 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 22.8 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend of the Act to the extent it applies to payment of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiary incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- In case of the Holding Company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining all books of accounts.
- In case of the Holding Company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled for certain fields and tables at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables, Payroll, Financial reporting, Property, plant and equipments, Purchase and payables.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with. Also, refer note 57 to the Consolidated Financial Statements.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:24113896BKFIFP8405

Place: Pune
Date: 29 April 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:24113896BKFIFP8405

Place: Pune
Date: 29 April 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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 Act

(Referred to in paragraph 2(A)(g) 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 KPIT Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, 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 2024, based on the internal financial controls with reference to 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Holding 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 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 Holding 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to 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
ICAI UDIN:24113896BKFIFP8405

Place: Pune
Date: 29 April 2024

CONSOLIDATED BALANCE SHEET

(Amount in ₹ million)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,395.27	2,143.89
Right-of-use assets	5	3,033.45	2,594.34
Capital work-in-progress	6	5.16	56.43
Goodwill	7	11,463.25	10,102.57
Other intangible assets	8	2,261.55	2,003.62
Intangible assets under development	9	575.55	268.77
Investments accounted for using the equity method	10	81.38	252.22
Financial assets			
Investments	11	0.46	0.45
Other financial assets	12	697.91	568.34
Income tax assets (net)		195.61	292.70
Deferred tax assets (net)	13	787.93	698.70
Other non-current assets	14	16.96	8.00
		21,514.48	**18,990.03**
Current assets			
Inventories	15	902.49	587.50
Financial assets			
Investments	16	862.91	389.52
Trade receivables	17		
Billed		7,489.47	5,924.40
Unbilled		2,068.94	1,823.21
Cash and cash equivalents	18	6,550.19	4,542.13
Bank balances other than cash and cash equivalents above	19	1,155.13	949.19
Other financial assets	20	422.84	283.72
Other current assets	21	712.51	516.05
		20,164.48	**15,015.72**
TOTAL ASSETS		**41,678.96**	**34,005.75**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22	2,712.17	2,703.46
Other equity		18,746.41	13,811.92
Equity attributable to owners of the Company		**21,458.58**	**16,515.38**
Non-controlling interests	53	171.09	117.56
Total equity		**21,629.67**	**16,632.94**

CONSOLIDATED BALANCE SHEET

(Amount in ₹ million)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	0.59	2.26
Lease liabilities	48	2,167.48	1,864.28
Other financial liabilities	24	1,546.77	2,850.16
Provisions	25	512.84	375.45
Deferred tax liabilities (net)	26	695.72	600.12
		4,923.40	**5,692.27**
Current liabilities			
Financial liabilities			
Borrowings	27	446.77	489.84
Lease liabilities	48	672.68	508.88
Trade payables	28	2,397.69	1,643.35
Other financial liabilities	29	3,272.05	4,448.21
Other current liabilities	30	6,332.63	3,614.42
Provisions	31	771.23	517.25
Income tax liabilities (net)		1,232.84	458.59
		15,125.89	**11,680.54**
TOTAL EQUITY AND LIABILITIES		**41,678.96**	**34,005.75**

See accompanying notes to the consolidated financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	32	48,715.41	33,650.38
Other income	33	602.67	401.92
Total income		**49,318.08**	**34,052.30**
Expenses			
Cost of materials consumed	34	719.96	658.80
Changes in inventories of finished goods and work-in-progress	35	(136.35)	(254.42)
Employee benefits expense	36	31,120.25	21,553.00
Finance costs	37	548.25	323.13
Depreciation and amortisation expense	38	1,957.93	1,463.79
Other expenses	39	7,098.28	5,364.10
Total expenses		**41,308.32**	**29,108.40**
Profit before share of profit/(loss) of equity accounted investee and tax		**8,009.76**	**4,943.90**
Share of profit/(loss) of equity accounted investees (net of tax)	10	(5.37)	23.97
Profit before tax		**8,004.39**	**4,967.87**
Tax expense	46		
Current tax		2,379.01	1,091.25
Deferred tax		(359.75)	7.99
Total tax expense		**2,019.26**	**1,099.24**
Profit for the year		**5,985.13**	**3,868.63**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	44	(48.95)	(90.10)
Income tax on items that will not be reclassified subsequently to profit or loss		18.63	30.83
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations		80.81	654.40
Effective portion of gains/(loss) on hedging instruments in cash flow hedges	40	212.57	(167.45)
Income tax on items that will be reclassified subsequently to profit or loss		(73.87)	58.00
Total other comprehensive income		**189.19**	**485.68**
Total comprehensive income for the year		**6,174.32**	**4,354.31**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year attributable to			
Owners of the Company		5,945.33	3,809.98
Non-controlling interests		39.80	58.65
		5,985.13	**3,868.63**
Other comprehensive income/(loss) for the year attributable to			
Owners of the Company		186.19	491.82
Non-controlling interests		3.00	(6.14)
		189.19	**485.68**
Total comprehensive income for the year attributable to			
Owners of the Company		6,131.52	4,301.80
Non-controlling interests		42.80	52.51
		6,174.32	**4,354.31**
Earnings per equity share (face value per share ₹ 10 each)	47		
Basic		21.95	14.10
Diluted		21.77	13.95

See accompanying notes to the consolidated financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

A EQUITY SHARE CAPITAL (REFER NOTE 22)

Balance as at 1 April 2023	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
2,703.46	-	2,703.46	8.71	2,712.17

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
2,700.17	-	2,700.17	3.29	2,703.46

B OTHER EQUITY

	Reserves and surplus					Items of other comprehensive income			Equity attributable to owners of the Company	Non-controlling interests (Refer note 53)	Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Special Economic Zone Re-investment reserve	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 40.3)	Re-measurement of net defined benefit plan (Refer note 44)			
Balance as at 1 April 2023	1,488.36	(32.33)	11,207.22	270.96	130.05	994.30	(48.12)	(198.52)	13,811.92	117.56	13,929.48
Profit for the year	-	-	5,945.33	-	-	-	-	-	5,945.33	39.80	5,985.13
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	80.63	137.97	(32.41)	186.19	3.00	189.19
Total comprehensive income/(loss) for the year	**-**	**-**	**5,945.33**	**-**	**-**	**80.63**	**137.97**	**(32.41)**	**6,131.52**	**42.80**	**6,174.32**
Others											
Dividend (Refer note 22.8)	-	-	(1,287.10)	-	-	-	-	-	(1,287.10)	-	(1,287.10)
Accumulated surplus of employee welfare trust	-	-	8.34	-	-	-	-	-	8.34	-	8.34
On allotment of shares (due to exercise of ESOPs)	-	(9.56)	-	-	-	-	-	-	(9.56)	10.73	1.17
Transfer to general reserve from share based payment reserve	-	59.51	-	(59.51)	-	-	-	-	-	-	-
Share based payment to employees (net)	-	-	-	91.29	-	-	-	-	91.29	-	91.29
Balance as at 31 March 2024	**1,488.36**	**17.62**	**15,873.79**	**302.74**	**130.05**	**1,074.93**	**89.85**	**(230.93)**	**18,746.41**	**171.09**	**18,917.50**
Balance as at 1 April 2022	**1,488.36**	**(72.21)**	**8,524.73**	**198.78**	**-**	**336.47**	**57.90**	**(138.53)**	**10,395.50**	**155.47**	**10,550.97**
Profit for the year	-	-	3,809.98	-	-	-	-	-	3,809.98	58.65	3,868.63
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	657.83	(106.02)	(59.99)	491.82	(6.14)	485.68
Total comprehensive income/(loss) for the year	**-**	**-**	**3,809.98**	**-**	**-**	**657.83**	**(106.02)**	**(59.99)**	**4,301.80**	**52.51**	**4,354.31**
Others											
Dividend (Refer note 22.8)	-	-	(891.63)	-	-	-	-	-	(891.63)	-	(891.63)
Accumulated surplus of employee welfare trust	-	-	(214.44)	-	-	-	-	-	(214.44)	-	(214.44)
Effect on account of purchase of non-controlling interest	-	-	116.06	-	-	-	-	-	116.06	(116.06)	-
On account of acquisition of subsidiary	-	-	(7.43)	-	-	-	-	-	(7.43)	19.61	12.18
Transfer to Special Economic Zone Re-investment reserve account from retained earnings	-	-	(130.05)	-	130.05	-	-	-	-	-	-
Transfer of reserves	-	(6.42)	-	0.39	-	-	-	-	(6.03)	6.03	-
Transfer to general reserve from share based payment reserve	-	46.30	-	(46.30)	-	-	-	-	-	-	-
Share based payment to employees (net)	-	-	-	118.09	-	-	-	-	118.09	-	118.09
Balance as at 31 March 2023	**1,488.36**	**(32.33)**	**11,207.22**	**270.96**	**130.05**	**994.30**	**(48.12)**	**(198.52)**	**13,811.92**	**117.56**	**13,929.48**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NATURE AND PURPOSE OF RESERVES:

i) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve. It also includes any surplus or shortfall on account of:

- merger/demerger within common control
- gain from a bargain purchase

This reserve is not available for distribution of dividend.

ii) General reserve

During the year ended 31 March 2019, general reserve amounting to ₹ (113.92) million was transferred to the Company on account of composite scheme of arrangement - demerger scheme. The reserve pertains to general reserve amounting to ₹ (148.30) million of the subsidiary company and ₹ 34.38 million of the parent company. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

iii) Retained earnings

Retained earnings comprises of the undistributed accumulated earnings of the Group as on the balance sheet date. This amount can be used to distribute dividend to equity shareholders.

iv) Share based payment reserve

Share based payment reserve is used to record the fair value of equity-settled share-based payment transactions with employees over the vesting period. This reserve is utilised upon exercise of options. Refer note 45 for the details of employee stock options and share purchase schemes.

v) Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment Reserve was created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilized by the Company for acquiring new assets for the purpose of its business as per the terms of the Sec 10AA(2) of the Income-tax Act, 1961.

vi) 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.

vii) Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

See accompanying notes to the consolidated financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	8,004.39	4,967.87
	Adjustments for:		
	Depreciation and amortisation expense	1,957.93	1,463.79
	Finance costs	548.25	323.13
	Interest income	(112.35)	(140.59)
	Dividend income	(1.78)	(3.29)
	Property, plant and equipments and other intangible assets written off	-	8.77
	Net (gain)/loss on disposal of property, plant and equipments	7.13	(6.72)
	Unrealised (gain)/loss on investment carried at fair value through profit and loss (net)	(32.94)	25.68
	Realised gain on investment carried at fair value through profit and loss (net)	(11.46)	(59.54)
	Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss	36.85	-
	Provision for doubtful debts and advances (net)	129.80	71.03
	Bad debts written off	48.83	49.63
	Share based compensation expenses	91.65	118.74
	Net unrealised foreign exchange (gain)/loss	(16.30)	615.33
	Gain on sale of investment in an associate	-	(18.86)
	Share of (profit)/loss of equity accounted investees (net of tax)	5.37	(23.97)
	Gain on previously held interest in equity accounted investee	(136.95)	-
	Others	(0.89)	(8.82)
	Operating profit before working capital changes	**10,517.53**	**7,382.18**
	Adjustments for changes in working capital:		
	Trade receivables	(1,802.99)	(2,045.62)
	Inventories	(314.99)	(0.95)
	Other financials assets and other assets	(181.34)	(95.95)
	Trade payables	747.25	(129.35)
	Other financial liabilities, other liabilities and provisions	2,423.11	502.65
	Cash generated from operations	**11,388.57**	**5,612.96**
	Income taxes paid (net)	(1,370.90)	(988.51)
	Net cash generated from operating activities (A)	**10,017.67**	**4,624.45**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(1,553.37)	(1,294.98)
	Proceeds from sale of property, plant and equipment	4.46	18.82
	Payments pursuant to acquisition of subsidiaries (net)	(3,230.68)	(5,781.91)
	Payment for contractual obligation under acquisition agreement	(55.62)	(446.66)
	Investment in mutual fund	(4,216.00)	(5,339.00)
	Proceeds from sale of investment in mutual fund	3,760.53	6,050.61
	Proceed from sale of investments carried at fair value through profit and loss	27.67	10.29
	Investment in an equity accounted investee	(271.20)	-

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
	Proceeds from sale of investment in an associate	-	19.13
	Interest received	52.88	201.27
	Dividend received	1.20	0.41
	Amount placed in overseas money manager accounts and fixed deposits	(26,840.58)	(11,184.69)
	Amount realized from overseas money manager accounts and fixed deposits	26,683.70	15,723.25
	Net cash used in investing activities (B)	**(5,637.01)**	**(2,023.46)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.26)	(3.83)
	Repayment of long term loan from other than banks*	-	(15.00)
	Payment of lease liabilities*	(779.00)	(578.31)
	Proceeds from working capital loan*	4,527.93	1,044.70
	Repayment of working capital loan*	(4,680.61)	(1,089.01)
	Payments for shares purchased by Employee Welfare Trust	-	(228.43)
	Proceeds from shares issued by Employee Welfare Trust	17.05	17.28
	Dividend paid	(1,287.10)	(891.63)
	Interest and finance charges paid	(194.84)	(86.76)
	Net cash used in financing activities (C)	**(2,399.83)**	**(1,830.99)**
D	**EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH AND CASH EQUIVALENTS**	**27.23**	**3.28**
	Net increase in cash and cash equivalents (A + B + C + D)	**2,008.06**	**773.28**
	Cash and cash equivalents at close of the year (Refer note 18)	6,550.19	4,542.13
	Cash and cash equivalents at beginning of the year	4,542.13	3,420.63
	Cash and cash equivalents on account of acquisition of subsidiaries (Refer note 51)	-	348.22
	Cash surplus for the year	**2,008.06**	**773.28**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2024:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 48)
Balance at the start of the year	6.07	486.03	2,373.16
Add: Cash inflow (proceeds of working capital loans from banks)	-	4,527.93	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	3.26	4,680.61	779.00
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.55)	111.75	1,246.00
Closing balance at the end of the year	2.26	445.10	2,840.16

CONSOLIDATED STATEMENT OF CASH FLOWS

***Reconciliation of liabilities from financing activities for the year ended 31 March 2023:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 48)
Balance at the start of the year	25.80	-	2,246.46
Add: Cash inflow (proceeds of working capital loans from banks)	-	1,044.70	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	18.83	1,089.01	578.31
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.90)	530.34	705.01
Closing balance at the end of the year	6.07	486.03	2,373.16

See accompanying notes to the consolidated financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

1 COMPANY OVERVIEW

KPIT Technologies Limited ("the Company") together with its subsidiaries (collectively with an employee welfare trust referred to as "the Group"), is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 12,000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, the Group accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Japan, China, Thailand and India, the Group works with leaders in automotive and mobility and is present where the ecosystem is transforming.

The Company is a public limited company incorporated in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company has its registered office at Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Taluka - Mulshi, Pune – 411057, Maharashtra, India and it has subsidiaries across multiple geographies.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ("Act") and other relevant provisions of the Act.

These financial statements are presented in millions of Indian rupees (₹) rounded off to two decimal places, except per share information, unless otherwise stated.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 29 April 2024.

2.2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These financial statements have been prepared on the historical cost basis, except for share based payments, defined benefit obligations, purchase consideration in business combinations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.3 USE OF ESTIMATES AND JUDGEMENT

The preparation of consolidated financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognised in the year in which the results are known/materialized.

Critical accounting estimates

i. Revenue Recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the costs expended to date as a proportion of the total estimated costs to be expended. Costs expended have been used to measure progress towards completion as generally it is estimated that there is a direct relationship between input and output in respect of work completed.

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

ii. Income tax

The Group's two major tax jurisdictions are India and the U.S., though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (if any).

iii. Valuation of deferred tax assets

The Group reviews carrying amount of deferred tax asset at end of each reporting period. The policy has been explained under note 3.21.

iv. Business combinations

Business combinations are accounted for using Ind-AS 103, Business Combinations. Ind-AS 103 requires the identifiable intangible assets and contingent

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

consideration to be fair valued in order to ascertain the net fair value of acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values.

v. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

vi. Measurement of defined benefit obligation, key actuarial assumptions and share based payments

Information about assumptions and estimation uncertainties in respect of defined benefit obligations and share based payments are included in note 44 and note 45.

vii. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities.

viii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Group and affects whether it is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

3 MATERIAL ACCOUNTING POLICIES

3.1 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 unrealised profits or losses have been fully eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Company.

iii. The excess of cost of acquisition to the Group over the share of net fair value of identifiable assets, liabilities and contingent liabilities of the subsidiary companies, at the acquisition dates, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. Alternatively, where the share of net fair value of identifiable assets, liabilities and contingent liabilities of the subsidiary companies, on the acquisition date, is in excess of cost of acquisition, it is immediately recognised as gain in other comprehensive income and the same is accumulated as capital reserve in equity.

iv. Non-controlling interest is initially measured either at fair value or at the proportionate share of the subsidiary companies' identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequently, the carrying amount of non-controlling interest is adjusted for the changes in the equity of the subsidiary companies.

v. The investments in joint ventures and an associate are accounted for using equity method. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of profit or

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

loss includes its share of the investee's profit or loss and the Company's other comprehensive income includes its share of the investee's other comprehensive income.

3.2 BUSINESS COMBINATIONS

i. Business combinations have been accounted for using the acquisition method under the provisions of Ind-AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

ii. Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

iii. Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is considered as a bargain purchase gain which is recognised immediately in other comprehensive income and the same is accumulated as capital reserve in equity. Goodwill is measured at cost less accumulated impairment losses.

iv. When there is change in the Group's interest in subsidiary companies, that does not result in loss of control, it is accounted for as equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

v. When the Group loses control on a subsidiary, the assets and liabilities of that subsidiary and non-controlling interest, if any, are derecognised from the consolidated financial statements. The investment retained, if any, is recognised at fair value on that date. The gain or loss associated with the loss of control, attributable to the former controlling interest, is recognised in the Statement of Profit and Loss.

vi. Impact of any changes in the purchase consideration, after the measurement period, is recorded in the Statement of Profit and Loss.

vii. Business combinations involving entities under common control is accounted for at carrying value using the pooling of interest method.

viii. Contingent consideration forming part of any business combination and eligible to be considered as purchase consideration is measured and recognized as a liability at fair value at the date of acquisition; subsequent changes to fair value of the liability is recognized in the consolidated Statement of Profit and Loss.

ix. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

3.3 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:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

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

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

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Group's normal operating cycle;

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

c. it is due to be settled within 12 months after the reporting date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Group is less than twelve months.

3.4 FOREIGN CURRENCY TRANSACTIONS

a. Functional and presentation currency

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

b. Transactions in foreign currencies are translated to the respective functional currencies of the Group companies at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realised exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

c. 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 recognised.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

3.5 FINANCIAL INSTRUMENTS

a. Initial recognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

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 amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Group has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognised in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. the Group does not use derivative financial instruments for speculative purposes. The counter-party to the Group's foreign currency forward contracts is generally a bank.

A contract to pay or receive a fixed amount on the occurrence or non-occurrence of a future event is considered to a derivative, provided that this future event depends on a financial variable or a non-financial variable not specific to a party to the contract. The Group considers EBITDA, profit, sales volume (e.g. revenue) or the cash flows of one counterparty to be non-financial variable that are specific to a party to the contract.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

Cash flow hedge

The use of hedging instruments is governed by the Group's policy approved by the Board of Directors, which provides written principles on the use of such

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

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 recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions any cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve is retained until the forecast transaction occurs. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognised in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

The amount recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the Statement of Profit or Loss and other comprehensive income.

iii) Treasury Shares

When any entity within the Group purchases the Group's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from other equity.

c. Derecognition of financial instruments

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of a financial liability) is derecognised from the group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Group uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used. The method of assessing fair value results in general approximation of value and such value may never actually be realised.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

e. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.6 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Capital work-in-progress and Capital advances

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed under Other Non-Current Assets.

Depreciation

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.

Improvements to leased premises are depreciated over the remaining non-cancellable period of the lease.

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

3.7 LEASES

A contract, or part of a contract, is a lease if that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Group initially measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments that depend on an index or a rate, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

The Group has elected not to apply the requirements of Ind-AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Group applies Ind-AS 115 Revenue to allocate the consideration in the contract.

3.8 INTANGIBLE ASSETS

Recognition and measurement

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation

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

Capitalised development costs are amortised over a period of 3 to 4 years.

Customer relationships are amortised over a period of 2 to 11 years.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the

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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.

Amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

3.9 IMPAIRMENT

a. Financial assets

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind-AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recorded as an impairment gain or loss in Statement of Profit or Loss.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. While assessing the recoverability of receivables including unbilled receivables, the Group has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. The Group expects to recover the carrying amount of these assets.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

ii. Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

The goodwill impairment test is performed at the level of the CGU or groups of CGUs which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

3.10 INVENTORIES

Inventories which comprise raw materials, work-in-progress, finished goods and stores and spares, are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

3.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group recognises provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

No provision is recognised for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

b. Present obligations that arise from past events but are not recognised because-

   1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognised in the consolidated financial statements since this may result in the recognition of income that may never be realised.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognises any impairment loss on the assets associated with that contract.

Warranty

The Group has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery.

The Group accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the historical experience and current estimates.

3.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a short maturity of three months or less from the date of investment.

3.13 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

3.14 REVENUE RECOGNITION

The Group derives revenues primarily from providing engineering services which includes design engineering services, embedded software development with its related services and from the sale of licenses and products.

The following is the summary of significant accounting policies related to revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

Arrangements with customers for such engineering & its related services are bifurcated into following key categories:

a. Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

c. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

d. Revenue from internally developed software product licenses where the customer obtains a “right to use” the license is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

e. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

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

The following are the details of key significant accounting policies related to revenue recognition for all the above mentioned categories:

a. Revenue in excess of invoicing is classified either as contract asset (unbilled revenue) or financial asset (unbilled revenue), while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b. Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time. Whereas, it is classified as financial asset when such right to consideration in exchange for goods or services is conditional only on passage of time.

c. Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs.

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

e. When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

f. In accordance with Ind-AS 37, provision for onerous contract/ estimated losses, if any, on uncompleted contracts are recorded in a period in which such losses become probable on the expected contract estimates at the period end date. The Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

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

h. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services(ATS). The Group has applied the principles under Ind-AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts is allocated to each performance obligation of the contract based on its relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customised as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. ATS revenue is recognised ratably over the period in which the services are rendered.

Significant judgments in revenue recognition:

a. The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b. Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c. The Group uses judgment to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

d. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

e. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. The Group uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

3.15 OTHER INCOME

Other income primarily consist of interest income, dividend income, net gain on investment and net foreign exchange gain. Interest income is recognised using the effective interest method. Dividend income is recognised when right to receive payment is established.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

3.16 FINANCE COSTS

Finance costs include interest cost on borrowings and lease liabilities. Borrowing costs are recognised using effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

3.17 EMPLOYEE BENEFITS

a. Defined benefit plan

The Group's gratuity scheme is a defined benefit plan. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. Past service cost is recognised immediately to the extent that the benefits are already vested or amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

b. Defined contribution plan

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

c. Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurement gains/losses are recognised in the Statement of Profit and Loss in the period in which they arise.

d. Other employee benefits

The undiscounted amount of short-term employee benefits and discounted amount of long term employee benefit, expected to be paid in exchange for the services rendered by employees, is recognised during the period when the employee renders the service. These benefits include compensated absences (which cannot be carried forward) such as paid annual leave, overseas social security contributions and performance incentives.

3.18 RESEARCH AND DEVELOPMENT:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognised as an intangible asset in accordance with policy defined in 2.11.

3.19 EMPLOYEE STOCK OPTION

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, the Group recognises employee compensation expense, using

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

When the terms of the share-based payment arrangement are modified, the minimum expense recognised is the expense had the terms not been modified. Additional expense is recognised on modification that increase the total fair value of the share-based payment arrangement or are otherwise beneficial to the employee. Where the grant of equity instruments is cancelled by the entity, the remaining fair value is recognised immediately in the Statement of Profit and Loss.

For the stock options granted to the employees of the subsidiaries, the share based compensation expenses are charged to the respective subsidiary.

3.20 DIVIDEND

The Company declares and pays dividends in Indian rupees. Final dividend and interim dividend on equity shares are recorded as a liability on approval by the shareholders and on declaration by the Company's Board of Directors respectively. Dividends declared by the Company are based on profits available for distribution.

3.21 INCOME TAXES

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

3.22 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.

3.23 RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

4 PROPERTY, PLANT AND EQUIPMENT

	Building	Leasehold improvements	Plant and Equipments	Furniture and Fixtures	Vehicles Owned	Office Equipments	Total
Gross carrying amount as at 1 April 2023	**1,097.87**	**218.39**	**1,757.24**	**286.74**	**81.64**	**572.48**	**4,014.36**
Additions	158.29	33.13	341.46	68.05	38.61	77.29	716.83
Additions on account of business combination	-	10.07	23.78	4.61	-	1.32	39.78
Disposal/retirement/derecognition	-	-	0.71	3.52	20.41	2.71	27.35
Exchange difference on translation of foreign operations	-	(1.12)	(0.46)	0.24	0.63	3.79	3.08
Gross carrying amount as at 31 March 2024	**1,256.16**	**260.47**	**2,121.31**	**356.12**	**100.47**	**652.17**	**4,746.70**
Accumulated depreciation as at 1 April 2023	**151.96**	**147.22**	**1,028.60**	**158.97**	**44.94**	**338.78**	**1,870.47**
Additions on account of business combination	-	6.77	16.52	1.73	-	0.39	25.41
Depreciation for the year	40.69	22.89	310.41	33.76	11.10	50.82	469.67
Disposal/retirement/derecognition	-	-	0.49	1.01	11.67	2.56	15.73
Exchange difference on translation of foreign operations	-	(1.56)	(1.60)	(0.12)	0.42	4.47	1.61
Accumulated depreciation as at 31 March 2024	**192.65**	**175.32**	**1,353.44**	**193.33**	**44.79**	**391.90**	**2,351.43**
Carrying amount as at 1 April 2023	**945.91**	**71.17**	**728.64**	**127.77**	**36.70**	**233.70**	**2,143.89**
Carrying amount as at 31 March 2024	**1,063.51**	**85.15**	**767.87**	**162.79**	**55.68**	**260.27**	**2,395.27**
Gross carrying amount as at 1 April 2022	**1,088.41**	**199.26**	**1,429.71**	**233.20**	**46.71**	**466.77**	**3,464.06**
Additions	9.46	13.03	446.11	12.78	20.29	42.03	543.70
Additions on account of business combination	-	2.06	171.25	43.78	19.03	74.29	310.41
Disposal/retirement/derecognition	-	-	329.00	13.16	5.92	23.37	371.45
Exchange difference on translation of foreign operations	-	4.04	39.17	10.14	1.53	12.76	67.64
Gross carrying amount as at 31 March 2023	**1,097.87**	**218.39**	**1,757.24**	**286.74**	**81.64**	**572.48**	**4,014.36**
Accumulated depreciation as at 1 April 2022	**114.39**	**113.92**	**910.31**	**123.20**	**30.99**	**234.53**	**1,527.34**
Additions on account of business combination	-	0.45	113.34	14.05	9.82	68.83	206.49
Depreciation for the year	37.57	30.78	293.23	28.86	8.62	46.87	445.93
Disposal/retirement/derecognition	-	-	319.04	11.78	5.92	22.61	359.35
Exchange difference on translation of foreign operations	-	2.07	30.76	4.64	1.43	11.16	50.06
Accumulated depreciation as at 31 March 2023	**151.96**	**147.22**	**1,028.60**	**158.97**	**44.94**	**338.78**	**1,870.47**
Carrying amount as at 1 April 2022	**974.02**	**85.34**	**519.40**	**110.00**	**15.72**	**232.24**	**1,936.72**
Carrying amount as at 31 March 2023	**945.91**	**71.17**	**728.64**	**127.77**	**36.70**	**233.70**	**2,143.89**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

5 RIGHT-OF-USE ASSETS

	Buildings	Leasehold Land	Plant and Equipments	Vehicles	Total
Gross carrying amount as at 1 April 2023	**3,460.57**	**423.90**	**-**	**53.69**	**3,938.16**
Additions	786.09	-	257.26	60.79	1,104.14
Additions on account of business combination	26.72	-	-	5.79	32.51
Derecognition/adjustments	438.57	-	-	14.70	453.27
Exchange difference on translation of foreign operations	7.27	-	-	0.36	7.63
Gross carrying amount as at 31 March 2024	**3,842.08**	**423.90**	**257.26**	**105.93**	**4,629.17**
Accumulated depreciation as at 1 April 2023	**1,291.54**	**34.59**	**-**	**17.69**	**1,343.82**
Depreciation for the year	607.79	4.64	32.59	32.29	677.31
Derecognition/adjustments	410.77	-	-	14.50	425.27
Exchange difference on translation of foreign operations	(0.38)	-	-	0.24	(0.14)
Accumulated depreciation as at 31 March 2024	**1,488.18**	**39.23**	**32.59**	**35.72**	**1,595.72**
Carrying amount as at 1 April 2023	**2,169.03**	**389.31**	**-**	**36.00**	**2,594.34**
Carrying amount as at 31 March 2024	**2,353.90**	**384.67**	**224.67**	**70.21**	**3,033.45**
Gross carrying amount as at 1 April 2022	**2,929.40**	**423.90**	**-**	**6.70**	**3,360.00**
Additions	190.90	-	-	53.01	243.91
Additions on account of business combination	377.87	-	-	0.83	378.70
Derecognition/adjustments	183.51	-	-	6.95	190.46
Exchange difference on translation of foreign operations	145.91	-	-	0.10	146.01
Gross carrying amount as at 31 March 2023	**3,460.57**	**423.90**	**-**	**53.69**	**3,938.16**
Accumulated depreciation as at 1 April 2022	**820.03**	**29.95**	**-**	**6.70**	**856.68**
Depreciation for the year	476.76	4.64	-	16.81	498.21
Derecognition/adjustments	47.57	-	-	6.95	54.52
Exchange difference on translation of foreign operations	42.32	-	-	1.13	43.45
Accumulated depreciation as at 31 March 2023	**1,291.54**	**34.59**	**-**	**17.69**	**1,343.82**
Carrying amount as at 1 April 2022	**2,109.37**	**393.95**	**-**	**-**	**2,503.32**
Carrying amount as at 31 March 2023	**2,169.03**	**389.31**	**-**	**36.00**	**2,594.34**

6 CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	5.16	-	-	-	5.16
Project temporarily suspended	-	-	-	-	-
Total	**5.16**	**-**	**-**	**-**	**5.16**
As at 31 March 2023					
Projects in progress	56.43	-	-	-	56.43
Project temporarily suspended	-	-	-	-	-
Total	**56.43**	**-**	**-**	**-**	**56.43**

Note:

(i) As on the balance sheet date, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

7 GOODWILL

	31 March 2024	31 March 2023
Carrying amount at the beginning of the year	10,102.57	1,678.66
Additions on account of acquisition of SOMIT Solutions Limited (Refer note 51.2)	-	609.69
Additions on account of acquisition of PathPartner Technology Private Limited	-	(29.43)
Additions on account of acquisition of Technica Group (Refer note 51.3)	(115.52)	7,801.51
Additions on account of acquisition of FMS Future Mobility Solutions GmbH (Refer note 51.1)	1,391.69	-
Exchange difference on translation	84.51	42.14
Carrying amount at the end of the year	**11,463.25**	**10,102.57**

ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS (CGU)

For impairment testing purposes, goodwill has been allocated to the underlying CGU identified as follows:

	31 March 2024	31 March 2023
KPIT Technologies GmbH	239.97	239.97
MicroFuzzy Industrie-Elektronic GmbH	767.92	762.71
PathPartner Technology Private Limited	688.67	688.67
FMS Future Mobility Solutions GmbH (Refer note 51.1)	1,391.69	-
SOMIT Solutions Limited (Refer note 51.2)	630.16	609.71
Technica Group (Refer note 51.3)	7,744.84	7,801.51
	11,463.25	**10,102.57**

An impairment loss shall be recognised for the CGUs if, and only if, the recoverable amount of the CGUs is less than its carrying amount. The recoverable amount of each CGU has been calculated based on its value-in-use, estimated as the present value of future free cash flow forecasts for 5 to 6 years and then on perpetuity using certain assumptions which include annual revenue growth rate, earnings before interest and taxes, capital outflow and working capital requirement. The assumptions taken are based on the past trends and managment estimates and judgement. Future cash flows are discounted using the respective Weighted Average Cost of Capital.

KEY ASSUMPTIONS USED FOR CALCULATION OF VALUE-IN-USE ARE AS FOLLOWS:

Assumptions	31 March 2024	31 March 2023
Growth rate	10.00% to 18.00%	14.00% to 33.00%
Terminal growth rate	2.00% to 3.50%	3.00% to 3.50%
Operating margins	6.18% to 31.00%	7.00% to 24.00%
Discount rate	10.01% to 19.25%	12.29% to 13.87%

As at 31 March 2024 and 31 March 2023 the estimated recoverable amount of each CGU exceeded its carrying amount and accordingly, no impairment loss is recognised. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGUs would decrease below its carrying amount.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

8 OTHER INTANGIBLE ASSETS

	Internally Generated		Other than Internally Generated		Total
	Product Development Cost	Technical know how	Softwares	Customer relationships	
Gross carrying amount as at 1 April 2023	**937.65**	**2.50**	**2,139.18**	**1,783.83**	**4,863.16**
Additions	506.56	-	608.11	446.93	1,561.60
Additions on account of business combination	-	-	8.60	-	8.60
Disposal/retirement/derecognition	824.89	-	902.86	-	1,727.75
Exchange difference on translation of foreign operations	1.19	-	3.54	12.87	17.60
Gross carrying amount as at 31 March 2024	**620.51**	**2.50**	**1,856.57**	**2,243.63**	**4,723.21**
Accumulated amortisation as at 1 April 2023	**937.65**	**0.83**	**1,854.45**	**66.61**	**2,859.54**
Additions on account of business combination	-	-	6.50	-	6.50
Amortisation for the year	-	0.83	559.99	250.13	810.95
Disposal/retirement/derecognition	318.33	-	902.89	-	1,221.22
Exchange difference on translation of foreign operations	1.19	-	2.98	1.72	5.89
Accumulated amortisation as at 31 March 2024	**620.51**	**1.66**	**1,521.03**	**318.46**	**2,461.66**
Carrying amount as at 1 April 2023	**-**	**1.67**	**284.73**	**1,717.22**	**2,003.62**
Carrying amount as at 31 March 2024	**-**	**0.84**	**335.54**	**1,925.17**	**2,261.55**
Gross carrying amount as at 1 April 2022	**931.68**	**2.50**	**1,658.17**	**-**	**2,592.35**
Additions	-	-	447.35	-	447.35
Additions on account of business combination	-	-	24.57	1,783.83	1,808.40
Exchange difference on translation of foreign operations	5.97	-	9.09	-	15.06
Gross carrying amount as at 31 March 2023	**937.65**	**2.50**	**2,139.18**	**1,783.83**	**4,863.16**
Accumulated amortisation as at 1 April 2022	**931.68**	**-**	**1,370.90**	**-**	**2,302.58**
Additions on account of business combination	-	-	19.14	-	19.14
Amortisation for the year	-	0.83	455.21	63.61	519.65
Exchange difference on translation of foreign operations	5.97	-	9.20	3.00	18.17
Accumulated amortisation as at 31 March 2023	**937.65**	**0.83**	**1,854.45**	**66.61**	**2,859.54**
Carrying amount as at 1 April 2022	**-**	**2.50**	**287.27**	**-**	**289.77**
Carrying amount as at 31 March 2023	**-**	**1.67**	**284.73**	**1,717.22**	**2,003.62**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

9 INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	575.55	-	-	-	575.55
Project temporarily suspended	-	-	-	-	-
Total	**575.55**	**-**	**-**	**-**	**575.55**
As at 31 March 2023					
Projects in progress	268.77	-	-	-	268.77
Project temporarily suspended	-	-	-	-	-
Total	**268.77**	**-**	**-**	**-**	**268.77**

Note:

(i) As on the balance sheet date, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	31 March 2024	31 March 2023
FMS Future Mobility Solutions GmbH	252.22	215.88
Nil (Previous year 100,001) equity shares of EUR 1 each fully paid up		
Add: Share of profit	-	23.97
Less: Effect of conversion to subsidiary pursuant to acquisition of balance stake (Refer note 51.1)	252.22	-
Add: Exchange difference on translation	-	12.37
	-	**252.22**
PathPartner Interior Sensing Private Limited (Refer note ii below)	-	0.26
Nil (Previous year Nil) equity shares of ₹ 10 each fully paid up		
Less: Sale of investment	-	(0.26)
	-	**-**
N-Dream AG (Refer Note 52)	86.75	-
50,598 (Previous year Nil) equity shares of CHF 1 each fully paid up		
Add: Share of profit	(5.37)	-
	81.38	-
	81.38	**252.22**

Note:

(i) The Group has no material associate/joint venture for the disclosures as per Ind-AS 112.

(ii) Sold an investment in PathPartner Interior Sensing Private Limited on 23 September 2022.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

11 NON CURRENT INVESTMENTS

(Unquoted)

	31 March 2024	31 March 2023
Investments in equity instruments of other entities measured at fair value through profit or loss		
Munchner bank 100 (Previous year 100) equity shares of EUR 50 each fully paid up	0.45	0.45
MCCIA Electronic Cluster Foundation (w.e.f 30 June 2023) 6 (Previous year Nil) equity shares of INR 1,000 each fully paid up	0.01	-
	0.46	**0.45**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 40.

12 OTHER NON-CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Fixed deposits with more than 12 months maturity (Refer note i below)	265.15	288.06
Earmarked balances with banks (towards leases)	141.73	139.77
Security deposits	166.38	131.37
Interest accrued on fixed deposits	26.48	9.14
Derivative asset towards further stake acquisition in N-Dream (Refer note 52)	98.17	-
	697.91	**568.34**

Note:

(i) It includes earmarked balance amounting to ₹ 4.15 million (Previous year ₹ 0.15 million) held as security towards overdraft facility.

(ii) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 40.

13 DEFERRED TAX ASSETS (NET)

	31 March 2024	31 March 2023
Deferred tax assets		
Property, plant and equipment and intangible assets	141.97	2.26
Provision for employee benefits	172.07	184.02
Forward contracts designated as cash flow hedges	-	27.06
MAT credit entitlement	186.54	332.76
Provisions	222.11	94.05
Others	187.03	63.31
	909.72	**703.46**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	67.55	-
Forward contracts designated as cash flow hedges	46.81	-
Others	7.43	4.76
	121.79	**4.76**
	787.93	**698.70**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

14 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Capital advances	11.61	5.89
Prepaid expenses	5.35	2.11
	16.96	**8.00**

15 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

	31 March 2024	31 March 2023
Raw materials	511.72	333.08
Work-in-progress	98.44	99.00
Finished goods	292.33	155.42
	902.49	**587.50**

16 CURRENT INVESTMENTS

(Quoted)

	31 March 2024	31 March 2023
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	846.53	368.82
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust (Refer note 45.1)	16.38	20.70
	862.91	**389.52**

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2024		31 March 2023	
	Units	Amount	Units	Amount
Bandhan Overnight Fund Regular Plan - Growth	1,57,693.39	200.22	-	-
Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan	1,08,909.56	140.15	-	-
Mirae Asset Liquid Fund - Regular Plan Growth	48,403.47	121.51	-	-
HDFC Liquid Fund - Direct Plan - Growth Option	81,087.55	384.65	-	-
Axis Overnight Fund - Regular Growth	-	-	1,44,293.89	170.66
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	-	-	50,005.26	60.31
DSP Overnight Fund - Growth - Regular plan	-	-	83,703,972.00	100.14
HDFC Liquid Fund - Direct Plan - IDCW - Daily Reinvest	-	-	36,980.14	37.71
Total investment in mutual fund units		**846.53**		**368.82**

(ii) Information about the Group's exposure to market risk is disclosed in note 40.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

17 TRADE RECEIVABLES

(Unsecured)

	31 March 2024	31 March 2023
Trade receivables - billed		
Trade receivables - considered good	7,893.21	6,200.03
Trade receivables which have significant increase in credit risk	25.71	12.17
Trade receivables - credit impaired	-	-
	7,918.92	6,212.20
Less: Allowances for bad and doubtful trade receivables	429.45	287.80
Total trade receivables - billed	**7,489.47**	**5,924.40**
Trade receivables - unbilled	**2,068.94**	**1,823.21**
	9,558.41	**7,747.61**

Trade receivables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	5,321.84	2,326.19	166.47	65.08	13.63	-	7,893.21
Undisputed trade receivables - which have significant increase in credit risk	3.17	4.60	4.09	7.60	3.50	2.75	25.71
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	5,325.01	**2,330.79**	**170.56**	**72.68**	**17.13**	**2.75**	**7,918.92**
Less: Allowances for bad and doubtful trade receivables - billed							429.45
							7,489.47
Trade receivables - unbilled (Refer note i below)							2,068.94
							9,558.41

Trade receivables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	4,496.12	1,479.09	149.98	73.28	1.56	-	6,200.03
Undisputed trade receivables - which have significant increase in credit risk	0.51	0.86	0.64	4.42	1.01	4.73	12.17
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Trade receivables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	4,496.63	**1,479.95**	**150.62**	**77.70**	**2.57**	**4.73**	**6,212.20**
Less: Allowances for bad and doubtful trade receivables - billed							287.80
							5,924.40
Trade receivables - unbilled (Refer note i below)							1,823.21
							7,747.61

Note:

(i) Unbilled revenue is not outstanding for more than 90 days.

(ii) Information about the Group's exposure to credit risk and market risk is disclosed in note 40.

18 CASH AND CASH EQUIVALENTS

	31 March 2024	31 March 2023
Cash on hand	0.31	0.41
Cheques in hand	-	5.47
Balances with banks		
In current accounts	3,531.28	3,690.31
In deposit accounts with original maturity of 3 months or less (Refer note i below)	3,018.60	845.94
	6,550.19	**4,542.13**

Note:

(i) It includes earmarked balance amounting to ₹ 193.07 million (Previous year ₹ 182.92 million) held under Escrow account.

(ii) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 40.

19 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	31 March 2024	31 March 2023
Balances with banks		
In overseas money manager accounts	879.64	657.70
In unclaimed dividend accounts	5.05	3.42
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	270.44	288.07
	1,155.13	**949.19**

Note:

(i) It includes earmarked balance amounting to ₹ 4.29 million (Previous year ₹ 18.15 million) held as security towards obtaining bank guarantees and overdraft facility.

(ii) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 40.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

20 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Interest accrued on fixed deposits	15.19	12.01
Security deposits	51.14	36.07
Forward contracts designated as cash flow hedges (Refer Note 40.3)	133.96	-
Receivable from related parties (Refer note 50)	-	8.51
Finance lease receivables	-	3.79
Derivative asset towards further stake acquisition in N-Dream (Refer note 52)	81.06	-
Other receivables	141.49	223.34
	422.84	**283.72**

Note:

(i) Information about the Group's exposure to credit risk and market risk is disclosed in note 40.

21 OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	31 March 2024	31 March 2023
Advance to suppliers	48.99	49.97
Employee advances		
Considered good	104.91	109.55
Considered doubtful	10.15	26.55
	115.06	136.10
Less: Provision for doubtful advances	10.15	26.55
	104.91	109.55
Balances with statutory authorities	147.47	113.37
Contract assets (Refer note 43)	4.29	39.24
Prepaid expenses	406.85	203.92
	712.51	**516.05**

22 EQUITY SHARE CAPITAL

	31 March 2024	31 March 2023
Authorised:		
450,000,000 (Previous year 450,000,000) equity shares of ₹ 10 each.	4,500.00	4,500.00
	4,500.00	**4,500.00**
Issued subscribed and fully paid up:		
274,143,808 (Previous year 274,143,808) equity shares of ₹ 10 each fully paid up	2,741.44	2,741.44
Less: 2,926,924 (Previous year 3,797,418) Treasury shares held by KPIT Technologies Employees Welfare Trust	29.27	37.98
	2,712.17	**2,703.46**

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

22.2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

22.3 Reconciliation of the number of equity shares (net of treasury shares) outstanding at the beginning and at the end of the year:

Particulars	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	270,346,390	2,703.46	270,016,575	2,700.17
Add: Shares issued on exercise of employee stock options	870,494	8.71	737,315	7.37
Less: Shares purchased from secondary market towards the grant of new stock options	-	-	407,500	4.08
Equity shares outstanding at the end of the year	**271,216,884**	**2,712.17**	**270,346,390**	**2,703.46**

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

Name of the shareholder	31 March 2024		31 March 2023	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%

22.5 Shareholding of promoters

Name of the promoter	31 March 2024		31 March 2023		Percentage change during the year ended 31 March 2024
	Number of shares held	% of shares held	Number of shares held	% of shares held	
Mr. S. B. (Ravi) Pandit	989,306	0.36%	989,306	0.36%	0.00%
Ms. Nirmala Pandit	239,000	0.09%	239,000	0.09%	0.00%
Mr. Chinmay Pandit	38,620	0.01%	38,620	0.01%	0.00%
Mr. Kishor Patil	13,345,605	4.87%	13,345,605	4.87%	0.00%
Ms. Anupama Patil	116,330	0.04%	116,330	0.04%	0.00%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,419,084	0.88%	2,455,800	0.90%	-1.50%
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	741,150	0.27%	741,150	0.27%	0.00%
Ms. Hemalata A Shende	20,000	0.01%	20,000	0.01%	0.00%
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%	0.00%
K and P Management Services Private Limited	300,910	0.11%	300,910	0.11%	0.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

22.6 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date-Nil (Previous year Nil).

22.7 Refer note 45 for details relating to employee stock options.

22.8 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2024	31 March 2023
Final dividend for the year ended on 31 March 2022: ₹ 1.85 per share		499.83
Final dividend for the year ended on 31 March 2023: ₹ 2.65 per share	717.63	
Interim dividend for the year ended on 31 March 2023: ₹ 1.45 per share		391.80
Interim dividend for the year ended on 31 March 2024: ₹ 2.10 per share	569.47	
Total dividend paid	**1,287.10**	**891.63**

Proposed dividend:

The Board of Directors at its meeting held on 29 April 2024, has recommended a final dividend of ₹ 4.60 per equity share for the year ended 31 March 2024, which is subject to the approval of shareholders at the Annual General Meeting.

22.9 Capital Management

The Company's Capital Management policy is aimed at maintaining a stable capital base so as to ensure overall financial stability and operational efficiency. The Company will aim to strike the right balance between:

(a) Liquidity, required not only for the operations of the company but also the investments required for future growth;

(b) Returns, by investing excess funds as per the board approved investment policy; and

(c) Distribution of dividends to the shareholders of the Company with an overall objective of consistently maximizing shareholder value over a long period of time.

The Company is predominantly equity financed and will always aim to be a Net Cash company.

The following table summarises the capital of the Company:

Particulars	31 March 2024	31 March 2023
Equity Share capital	2,712.17	2,703.46
Other equity	18,746.41	13,811.92
Equity attributable to owners of the Company (Equity)	**21,458.58**	**16,515.38**
Long-term borrowings	0.59	2.26
Short-term borrowings and current maturities of long term borrowings	446.77	489.84
Total borrowings (Debt)	**447.36**	**492.10**
Total capital (Equity + Debt)	**21,905.94**	**17,007.48**
Total borrowings as a percentage of total capital	2.04%	2.89%
Total equity as a percentage of total capital	97.96%	97.11%

As at 31 March 2024 and 31 March 2023, the Company has no externally imposed capital requirements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

23 NON-CURRENT BORROWINGS

	31 March 2024	31 March 2023
Term loans		
From banks (secured) (Refer note i and ii below)	0.59	2.26
	0.59	**2.26**

Note:

(i) Term loans from bank includes a loan secured against vehicle obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of ₹ 0.15 million each upto July 2025.

(ii) Term loans from bank in the previous year included a loan secured against vehicle obtained under the loan arrangement. The loan carried interest upto 8.70 % p.a. and was repayable in equated monthly installments of ₹ 0.22 million each. The loan is fully repaid during the current year.

(iii) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 40.

24 OTHER NON-CURRENT FINANCIAL LIABILITIES

	31 March 2024	31 March 2023
Purchase consideration payable		
SOMIT Solutions Limited (Refer note 51.2)	-	167.73
Technica Group (Refer note 51.3)	1,546.77	2,507.98
Accrued employee costs	-	174.45
	1,546.77	**2,850.16**

Note:

(i) Information about the Group's exposure to liquidity risk is disclosed in note 40.

25 NON-CURRENT PROVISIONS

	31 March 2024	31 March 2023
Provision for employee benefits		
Compensated absences	128.67	97.19
Gratuity (Refer note 44)	384.17	278.26
	512.84	**375.45**

26 DEFERRED TAX LIABILITIES (NET)

	31 March 2024	31 March 2023
Deferred tax liabilities		
Property, plant and equipment and intangible assets	0.33	0.06
Customer relationship	672.73	600.06
Others	47.24	-
	720.30	**600.12**
Deferred tax assets		
Others	24.58	-
	24.58	**-**
Deferred tax liabilities	**695.72**	**600.12**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

27 CURRENT BORROWINGS

	31 March 2024	31 March 2023
Working capital loans		
From bank (secured) (Refer note i below)	-	67.21
From institution other than banks (unsecured) (Refer note ii below)	445.10	418.82
Current maturities of long term borrowings (Refer note iii below)		
From banks (secured)	1.67	3.81
	446.77	**489.84**

Note:

(i) Working capital loan from bank carried an interest rate of 1.95% p.a. and was repayable in equated quarterly installments of EUR 2.50 million. The loan is fully repaid during the current year.

(ii) Working capital loan from an institution other than banks carries an interest rate of 3% p.a. above the base interest rate as per German Civil Code and is repayable on demand.

(iii) Refer note 23 for the details of security and repayment terms.

(iv) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 40.

28 TRADE PAYABLES

Trade payables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	17.37	-	-	-	17.37
Others	141.01	747.33	12.34	0.89	1.01	902.58
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	141.01	**764.70**	**12.34**	**0.89**	**1.01**	**919.95**
Accrued expenses						1,477.74
						2,397.69

Trade payables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	3.53	-	-	-	3.53
Others	121.40	434.99	2.06	-	1.01	559.46
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	121.40	**438.52**	**2.06**	**-**	**1.01**	**562.99**
Accrued expenses						1,080.36
						1,643.35

Note:

(i) Information about the Group's exposure to liquidity risk is disclosed in note 40.

(ii) Information about the related party transaction is disclosed in note 50.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

29 OTHER CURRENT FINANCIAL LIABILITIES

	31 March 2024	31 March 2023
Purchase consideration payable		
SOMIT Solutions Limited (Refer note 51.2)	176.15	20.95
PathPartner Technology Private Limited	780.45	176.07
Technica Group (Refer note 51.3)	1,088.48	2,130.41
Contractual obligation - towards acquisition of balance non-controlling stake	-	516.33
Accrued employee costs	1,096.04	1,114.46
Unclaimed dividends	3.97	3.41
Capital creditors	98.81	66.01
Forward contracts designated as cash flow hedges (Refer note 40.3)	-	78.61
Others	28.15	341.96
	3,272.05	**4,448.21**

Note:

(i) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 40.

30 OTHER CURRENT LIABILITIES

	31 March 2024	31 March 2023
Contract liabilities (Refer note 43)	4,731.97	2,600.86
Advance received from customers	0.59	16.19
Statutory liabilities	1,595.95	996.90
Advance from related parties (Refer note 50)	2.40	-
Others	1.72	0.47
	6,332.63	**3,614.42**

31 CURRENT PROVISIONS

	31 March 2024	31 March 2023
Provision for employee benefits		
Compensated absences	424.99	248.93
Gratuity (Refer note 44)	84.00	84.00
Other provisions		
Provision for onerous contracts	0.34	-
Provision for warranty (Refer note 49.1)	261.90	184.32
	771.23	**517.25**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

32 REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Software services	46,556.81	32,720.16
Sale of products		
Finished goods	2,158.60	930.22
	48,715.41	**33,650.38**

Note:

(i) Refer note 43 for more disclsoures on revenue from contracts with customers.

33 OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets carried at amortized cost	98.68	128.66
Other interest income (including interest on tax refunds)	13.67	11.93
Dividend income on investments carried at fair value through profit and loss (Refer note i below)	1.78	3.29
Net gain on disposal of property, plant and equipments	-	6.72
Net foreign exchange gain	167.72	100.43
Net unrealised gain on investments carried at fair value through profit or loss (Refer note ii below)	32.94	-
Other non-operating income (net of expenses directly attributable to such income) (including miscellaneous income) (Refer note iii below)	287.88	150.89
	602.67	**401.92**

Note:

(i) This represents the dividend income of:
   a. ₹ 1.20 million (Previous year ₹ 1.88 million) from investment in mutual fund units;
   b. ₹ 0.58 million (Previous year ₹ 1.41 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

(ii) This represents the gain on fair valuation of:
   a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;
   b. investment in mutual funds units.

(iii) Includes net gain on sale of investments of ₹ 11.67 million and ₹ 78.66 million for the years ended 31 March 2024 and 31 March 2023 respectively.

34 COST OF MATERIALS CONSUMED

	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory of materials at the beginning of the period	333.08	-
Add: On account of business combination	-	573.00
Add: Purchases	898.60	418.88
Less: Inventory of materials at the end of the period	511.72	333.08
	719.96	**658.80**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

35 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Finished goods		
Inventories at the beginning of the year	155.42	-
Inventories at the end of the year	292.33	155.42
	(136.91)	(155.42)
Work-in-progress		
Inventories at the beginning of the year	99.00	-
Inventories at the end of the year	98.44	99.00
	0.56	(99.00)
	(136.35)	**(254.42)**

36 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and incentives	30,442.18	20,972.65
Contribution to provident and other funds	480.55	363.47
Share based compensation to employees (Refer note 45)	91.65	118.74
Staff welfare expenses	105.87	98.14
	31,120.25	**21,553.00**

37 FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Finance cost on lease liabilities (Refer note 48)	156.80	120.79
Finance cost on financial liabilities measured at amortised cost	273.93	125.62
Finance cost on financial liabilities measured at fair value through profit or loss	115.31	76.72
Exchange differences regarded as an adjustment to finance costs	2.21	-
	548.25	**323.13**

38 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (Refer note 4)	469.67	445.93
Depreciation of right-of-use assets (Refer note 5)	677.31	498.21
Amortisation of other intangible assets (Refer note 8)	810.95	519.65
	1,957.93	**1,463.79**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

39 OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Travel expenses (net)	656.03	645.68
Cost of service delivery (net)	1,684.67	991.77
Cost of professional sub-contracting (net)	1,397.10	1,503.17
Recruitment and training expenses	261.76	289.83
Power and fuel	113.65	93.18
Rent (Refer note 48)	74.01	82.87
Repairs and maintenance	553.85	251.91
Insurance	195.28	150.19
Rates & taxes	62.64	50.95
Communication expenses (net)	142.19	102.70
Legal and professional fees	832.42	407.63
Marketing expenses	183.63	136.43
Auditor's remuneration (net of taxes)		
Audit fees	7.84	5.90
Limited review of quarterly results	2.10	2.10
Fees for other services	0.95	0.70
Out of pocket expenses reimbursed	0.47	0.25
Bad debts written off	48.83	49.63
Allowances for doubtful trade receivables and advances (net)	129.80	71.03
Provision for warranty (Refer note 49.1)	77.46	41.76
Expenditure on corporate social responsibility (Refer note ii below)	53.09	41.86
Net unrealised loss on investments carried at fair value through profit or loss (Refer note iii below)	-	25.68
Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss	36.85	-
Miscellaneous expenses (net)	583.66	418.88
	7,098.28	**5,364.10**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

(ii) Expenditure on corporate social responsibility includes the amount spent by the holding company and its Indian subsidiary.

(iii) This represents the net loss on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

40 FINANCIAL INSTRUMENTS

40.1 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value and fair value of financial instruments by categories as at 31 March 2024 are as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	-	863.37	-	863.37	863.37
Trade receivables - billed	7,489.47	-	-	7,489.47	7,489.47
Trade receivables - unbilled	2,068.94	-	-	2,068.94	2,068.94
Cash and cash equivalents	6,550.19	-	-	6,550.19	6,550.19
Bank balances other than cash and cash equivalents above	1,155.13	-	-	1,155.13	1,155.13
Other financial assets	807.56	179.23	133.96	1,120.75	1,120.75
Total financial assets	**18,071.29**	**1,042.60**	**133.96**	**19,247.85**	**19,247.85**
Financial liabilities					
Borrowings	447.36	-	-	447.36	447.36
Trade payables	2,397.69	-	-	2,397.69	2,397.69
Lease liabilities	2,840.16	-	-	2,840.16	2,840.16
Other financial liabilities	2,031.15	2,787.67	-	4,818.82	4,818.82
Total financial liabilities	**7,716.36**	**2,787.67**	**-**	**10,504.03**	**10,504.03**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	-	389.97	-	389.97	389.97
Trade receivables - billed	5,924.40	-	-	5,924.40	5,924.40
Trade receivables - unbilled	1,823.21	-	-	1,823.21	1,823.21
Cash and cash equivalents	4,542.13	-	-	4,542.13	4,542.13
Bank balances other than cash and cash equivalents above	949.19	-	-	949.19	949.19
Other financial assets	852.06	-	-	852.06	852.06
Total financial assets	**14,090.99**	**389.97**	**-**	**14,480.96**	**14,480.96**
Financial liabilities					
Borrowings	492.10	-	-	492.10	492.10
Trade payables	1,643.35	-	-	1,643.35	1,643.35
Lease liabilities	2,373.16	-	-	2,373.16	2,373.16
Other financial liabilities	4,027.71	3,192.05	78.61	7,298.37	7,298.37
Total financial liabilities	**8,536.32**	**3,192.05**	**78.61**	**11,806.98**	**11,806.98**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

40.2 FAIR VALUE HIERARCHY

Financial assets and liabilities include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables (billed and unbilled), loans, other financial assets, trade payables and other financial liabilities, whose fair values approximate their carrying amounts. Fair value of lease liabilities approximate its carrying amount, as lease liabilities are valued using discounted cash flow method. Except for the quoted investments, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2 or Level 3.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities as at 31 March 2024:

Particulars	As at 31 March 2024	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in equity instruments of other entities	0.46	-	-	0.46
Investment in Birlasoft Limited	16.38	16.38	-	-
Investment in mutual fund units	846.53	846.53	-	-
Forward contracts designated as cash flow hedge	133.96	-	133.96	-
Derivative asset towards further stake acquisition in N-Dream	179.23	-	-	179.23
Financial liabilities				
Contingent consideration payable	2,787.67	-	-	2,787.67
Contractual obligation - towards acquisition of balance non-controlling stake	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities as at 31 March 2023:

Particulars	As at 31 March 2023	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in equity instruments of other entities	0.45	-	-	0.45
Investment in Birlasoft Limited	20.70	20.70	-	-
Investment in mutual fund units	368.82	368.82	-	-
Financial liabilities				
Contingent consideration payable	2,675.72	-	-	2,675.72
Contractual obligation - towards acquisition of balance non-controlling stake	516.33	-	-	516.33
Forward contracts designated as cash flow hedge	78.61	-	78.61	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Reconciliation of fair value measurement for Level 3 financial assets and liabilities classified as FVTPL:

Particulars	31 March 2024	31 March 2023
i) Unquoted investment in equity instruments of other entities		
Balance at the beginning of the year	0.45	0.42
Exchange difference on translation	0.01	0.03
Balance at the end of the year	**0.46**	**0.45**
ii) Derivative asset towards further stake acquisition in N-Dream		
Balance at the beginning of the year	-	-
Additions during the year	184.45	-
Change in fair value of derivative asset	(5.46)	-
Exchange difference on translation	0.24	-
Balance at the end of the year	**179.23**	**-**
iii) Contingent consideration payable		
Balance at the beginning of the year	2,675.72	-
Additions during the year	-	2,652.51
Finance costs recognised in the Statement of Profit and Loss	88.78	21.84
Exchange difference on translation	23.17	1.37
Balance at the end of the year	**2,787.67**	**2,675.72**
iv) Contractual obligation - towards acquisition of balance non-controlling stake		
Balance at the beginning of the year	516.33	901.45
Finance costs recognised in the Statement of Profit and Loss	26.53	54.88
Change in fair value of the financial instrument	31.49	-
Amount transferred to financial liabilities measured at amortised cost	(574.35)	(440.00)
Balance at the end of the year	**-**	**516.33**

Significant techniques and unobservable inputs used for Level 2 and Level 3 fair valuation measurement

As at 31 March 2024:

Particulars	Valuation techniques	Significant Unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
i) Forward contracts designated as cash flow hedge	The fair value is determined using quoted forward exchange rates as at the reporting dates.	Not applicable	Not applicable
ii) Derivative asset towards further stake acquisition in N-Dream	Black-Scholes model	Volatility percentage	The estimated fair value would increase (decrease) if the volatily were higher (lower).
iii) Contingent consideration payable	The valuation is done using discounted cash flow method, which considers the present value of expected future payments discounted using a risk adjusted discount rate.	a. Expected cash flows b. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if; a. the expected cash flows were higher (lower); or b. the risk-adjusted discount rate were lower (higher).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

As at 31 March 2023:

Particulars	Valuation techniques	Significant Unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
i) Forward contracts designated as cash flow hedge	The fair value is determined using quoted forward exchange rates as at the reporting dates.	Not applicable	Not applicable
ii) Contingent consideration payable	The valuation is done using discounted cash flow method, which considers the present value of expected future payments discounted using a risk adjusted discount rate.	a. Expected cash flows b. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if; a. the expected cash flows were higher (lower); or b. the risk-adjusted discount rate were lower (higher).
iii) Contractual obligation - towards acquisition of balance non-controlling stake	The valuation is done using discounted cash flow method, which considers the present value of expected future payments discounted using a risk adjusted discount rate.	a. Expected cash flows b. Risk-adjusted discount rate	The estimated fair value would increase (decrease) if; a. the expected cash flows were higher (lower); or b. the risk-adjusted discount rate were lower (higher).

40.3 FINANCIAL RISK MANAGEMENT

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

a. Credit risk

Credit risk is the risk of financial losses to the Group if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Group's billed trade receivables from customers amounting to ₹ 7,489.47 million and ₹ 5,924.40 million, unbilled trade receivables amounting to ₹ 2,068.94 million and ₹ 1,823.21 million and other receivables amounting to ₹ 141.49 million and ₹ 223.34 million as on 31 March 2024 and 31 March 2023 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

ii. Impairment

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

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	287.80	193.79
Impairment during the year	723.31	397.44
Reversal of impairment on account of collection	(530.55)	(251.56)
Utilisation of allowance	(44.69)	(52.22)
Exchange difference on translation	(6.42)	0.35
Balance at the end of the year	**429.45**	**287.80**

Refer note 17 for ageing of trade receivables

iii. Cash and bank balances

The Group held cash and bank balances of ₹ 7,705.32 million and ₹ 5,491.32 million as at 31 March 2024 and 31 March 2023 respectively. The cash and bank balances are held with banks which have high credit ratings assigned by international credit rating agencies.

iv. Guarantees

The Group's policy is to provide financial guarantees in routine course of business and on behalf of subsidiaries/joint ventures.

b. Liquidity risk

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

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

The liquidity position at each reporting date is given below:

Particulars	31 March 2024	31 March 2023
Cash and cash equivalents	6,550.19	4,542.13
Bank balances other than cash and cash equivalents above	1,155.13	949.19
Fixed deposits with banks (non-current portion) including interest accrued	306.82	309.21
Investment in mutual fund units	846.53	368.82
Total	**8,858.67**	**6,169.35**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The following are the remaining contractual maturities of financial liabilities as at 31 March 2024:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	447.36	447.50	446.90	0.60	-	-
Trade payables	2,397.69	2,397.69	2,397.69	-	-	-
Other financial liabilities	4,818.82	4,885.82	3,272.05	1,613.77	-	-

The following are the remaining contractual maturities of financial liabilities as at 31 March 2023:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	492.10	492.10	489.84	2.26	-	-
Trade payables	1,643.35	1,643.35	1,643.35	-	-	-
Other financial liabilities	7,298.37	7,472.89	4,448.21	3,024.68	-	-

Refer note 48 for the contractual maturities of lease liabilities.

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign currency risk

Significant portion of the Group's revenues are in foreign currencies, while a significant portion of the costs are in Indian rupee i.e. functional currency of the Group. The foreign currencies to which the Group is majorly exposed to are US Dollars, Euros and Pound Sterling.

The Group evaluates net exchange rate exposure based on current revenue projections and expected volatility in the market and covers its exposure up to 90% on net basis. For this purpose the Group uses foreign currency derivative instruments such as forward contracts to mitigate the risk. The counterparty to these derivative instruments is a bank. The Group has designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of highly probable forecasted cash flows.

Exposure to Currency Risk

The below figures are INR equivalent amounts of foreign currency.

The following is the Group's exposure to currency risk from financial instruments as at 31 March 2024:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	102.94	57.97	-	0.89	161.80
Other financial assets	-	176.97	-	-	176.97
Trade payables	(11.61)	(2.49)	(5.16)	(2.44)	(21.70)
Other financial liabilities	(2.88)	-	-	-	(2.88)
Net assets/(liabilities)	**88.45**	**232.45**	**(5.16)**	**(1.55)**	**314.19**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The following is the Group's exposure to currency risk from financial instruments as at 31 March 2023:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	614.38	-	-	0.82	615.20
Other financial assets	-	-	-	-	-
Trade payables	(8.71)	(17.16)	(1.32)	(1.22)	(28.41)
Other financial liabilities	(1.18)	(8.54)	-	-	(9.72)
Net assets/(liabilities)	**604.49**	**(25.70)**	**(1.32)**	**(0.40)**	**577.07**

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2024, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.03%/(0.03)%.

For the period ended 31 March 2023, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.09%/(0.09)%.

ii. Derivative assets and liabilities designated as cash flow hedges

In accordance with its risk management policy and business plan the Group has hedged its cash flows. The Group enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Group's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The following are the outstanding EUR/USD/JPY/GBP: INR Currency Exchange Contracts entered into by the Group which has been designated as Cash Flow Hedges:

Particulars	31 March 2024		31 March 2023	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	34.75	3,135.15	24.65	2,208.83
USD	66.80	5,569.12	47.54	3,908.59
JPY	2,980.00	1,641.68	2,469.00	1,525.84
GBP	11.03	1,161.35	6.00	611.24

The forward contracts have maturity between 30 days to 12 months from 31 March 2024.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	(48.12)	57.90
Gain on changes in fair value of foreign exchange contracts recognised in other comprehensive income	133.96	(78.61)
Deferred tax on fair value of effective portion of cash flow hedges	(73.87)	58.00
Amounts reclassified to the Statement of Profit and Loss	78.61	(88.84)
Share of non-controlling interest	(0.73)	3.43
Balance at the end of the year	89.85	(48.12)

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 do not have any investments which are variable interest rate bearing instruments. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligation with floating interest rate. The interest rate profile of the Group's floating interest-bearing financial instruments is as follows:

Particulars	31 March 2024	31 March 2023
Variable rate instruments		
Financial liabilities	445.10	418.82

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ 2.02 million (Previous Year ₹ 1.89 million).

iv. Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in quoted equity instruments and investments in mutual funds. The Group is mainly exposed to other price risk arising from investments in mutual funds which are recognised at fair value through profit and loss.

41 SEGMENT INFORMATION

KPIT Technologies Limited provides embedded software for the Automobile and Mobility Industry. The customers in these verticals are located at US/UK & Europe/APAC region. To enable the company to serve their specific needs the company has set up legal entities in the respective geographies. The business is structured in such a way that the predominantly customer front ending and bidding process is carried out by these legal entities.

The Group thus drives business mainly through its subsidiaries. The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". While CODM reviews performance for above verticals, they also review the risks and rewards in each geography. The risk and rewards of the company is directly affected by geographical location of its customers (i.e. place where its services are rendered). Decisions such as pricing, allocation of resources, allocation of assets etc. are taken based on opportunities in the respective geography. Since costs are incurred and accounted as per subsidiary set up and manpower skill sets are interchangeable bottom line performance is reviewed with Geography as primary indicator being dominant source of risk and return.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

41.1 GEOGRAPHICAL SEGMENTS

Segment information is based on geographical location of customers.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred in India on behalf of other segments which are not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

		31 March 2024				31 March 2023			
		Americas ₹ million	UK & Europe ₹ million	Rest of World ₹ million	Total ₹ million	Americas ₹ million	UK & Europe ₹ million	Rest of World ₹ million	Total ₹ million
a)	**Segment revenue**								
	Revenue from external customers	15,441.19	26,381.36	22,846.89	64,669.44	12,342.66	16,431.52	16,971.17	45,745.35
	Less: inter segment revenue	563.27	888.67	14,502.09	15,954.03	300.69	688.51	11,105.77	12,094.97
	Total segment revenue	14,877.92	25,492.69	8,344.80	48,715.41	12,041.97	15,743.01	5,865.40	33,650.38
b)	**Segment results**	4,501.35	5,310.98	3,115.38	12,927.71	3,579.38	2,690.18	2,028.38	8,297.94
	Finance cost				(548.25)				(323.13)
	Unallocated corporate expenses (net of unallocable income)				(4,369.70)				(3,030.91)
	Share of profit of equity accounted investees (net of tax)				(5.37)				23.97
	Profit before tax				8,004.39				4,967.87
	Tax expense				(2,019.26)				(1,099.24)
	Profit after tax				5,985.13				3,868.63
c)	**Allocated segment assets**	2,697.84	5,333.26	1,531.60	9,562.70	2,382.82	3,959.01	1,445.02	7,786.85
	Unallocated segment assets *				5,237.53				4,472.71
	Unallocated corporate assets				26,878.73				21,746.19
	Total assets				41,678.96				34,005.75
d)	**Allocated segment liabilities**	213.41	3,619.69	899.46	4,732.56	242.61	1,850.26	507.99	2,600.86
	Unallocated segment liabilities *				14,869.37				14,279.85
	Unallocated corporate liabilities				447.36				492.10
	Total liabilities				20,049.29				17,372.81
e)	Cost incurred during the period to acquire segment non-current assets#	-	-	-	-	-	-	-	-
f)	Depreciation/ Amortisation#				1,957.93				1,463.79
g)	Non cash expenses other than depreciation/ amortisation#				-				-

* Segment assets other than trade receivables (including unbilled) and contract assets and segment liabilities other than contract liabilities (unearned revenue) and advance to customers used in the Company's business are not identified to any reportable segments, as these are used interchangeably between segments.

The cost incurred during the period/year to acquire property, plant and equipment and intangible assets, depreciation/amortisation and non-cash expenses are not attributable to any reportable segment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

41.2 ADDITIONAL SEGMENT INFORMATION OF INDIA (THE COMPANY'S COUNTRY OF DOMICILE)

		31 March 2024	31 March 2023
a)	Segment revenue from India (Revenue from external customers)	21,333.98	16,197.10
b)	Non-current assets (entirely located in India) (other than financial instruments and deferred tax assets)	3,320.35	3,250.71

41.3 MAJOR CUSTOMER

Revenue from one customer, ₹ 8,894.73 million (Previous year ₹ 5,212.76 million), individually accounts for more than 10% of the Group's revenue.

42 DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013:

(pursuant to para 2 of general instructions for the preparation of consolidated financial statements)

(A) FOR THE YEAR ENDED 31 MARCH 2024

S. 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	74.07%	16,020.45	54.61%	3,268.28	49.52%	93.69	54.45%	3,361.97
B	**Subsidiaries**								
I	**Indian:**								
	PathPartner Technology Private Limited	3.25%	703.90	3.40%	203.28	7.76%	14.69	3.53%	217.97
II	**Foreign:**								
1	KPIT Technologies (UK) Limited	14.03%	3,035.60	3.75%	224.57	-10.37%	(19.61)	3.32%	204.96
2	KPIT Technologies Inc.	10.03%	2,169.26	9.23%	552.54	0.87%	1.64	8.98%	554.18
3	KPIT Technologies Holding Inc.	6.57%	1,421.96	0.08%	5.04	0.00%	-	0.08%	5.04
4	KPIT (Shanghai) Software Technology Co. Limited	0.56%	120.70	0.40%	23.67	0.70%	1.33	0.40%	25.00
5	KPIT Technologies Netherlands B.V	2.36%	510.09	1.91%	114.57	-3.36%	(6.35)	1.75%	108.22
6	KPIT Technologies GK	2.52%	545.02	2.95%	176.62	-4.23%	(8.00)	2.73%	168.62
7	KPIT Technologies GmbH	27.76%	6,003.64	-16.75%	(1,002.68)	-3.62%	(6.85)	-16.35%	(1,009.53)
8	KPIT Technologias Ltda.	0.64%	137.58	0.47%	28.00	-0.94%	(1.77)	0.42%	26.23
9	MicroFuzzy Industrie-Elektronic GmbH	5.71%	1,235.49	18.22%	1,090.36	-5.69%	(10.76)	17.49%	1,079.60
10	KPIT Tech (Thailand) Co., Ltd.	0.58%	126.51	0.76%	45.27	-0.72%	(1.36)	0.71%	43.91
11	SOMIT Solutions Limited	0.25%	55.11	-0.18%	(10.48)	-0.11%	(0.21)	-0.17%	(10.69)
12	SOMIT Solutions Inc	0.27%	58.24	0.75%	44.64	-0.06%	(0.12)	0.72%	44.52
13	KPIT Technologies S.A.S.	0.07%	15.42	0.32%	19.32	0.47%	0.89	0.33%	20.21
14	Technica Engineering GmbH	11.66%	2,521.59	22.91%	1,371.17	-3.86%	(7.30)	22.09%	1,363.87
15	Technica Electronics Barcelona S.L.	1.38%	297.83	3.04%	182.20	-1.86%	(3.51)	2.89%	178.69
16	Technica Engineering Spain S.L.	0.14%	30.22	0.45%	27.06	-0.03%	(0.06)	0.44%	27.00
17	Technica Engineering Inc.	0.32%	70.06	-0.14%	(8.67)	-0.29%	(0.55)	-0.15%	(9.22)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. 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)
18	Qorix GmbH	1.40%	302.26	-2.48%	(148.21)	-0.33%	(0.63)	-2.41%	(148.84)
19	PathPartner Technology Inc.	0.38%	83.20	0.22%	13.09	-0.10%	(0.18)	0.21%	12.91
20	PathPartner Technology GmbH	-0.01%	(2.44)	-0.03%	(1.95)	0.05%	0.10	-0.03%	(1.85)
21	FMS Future Mobility Solutions GmbH	0.50%	108.02	0.70%	41.60	0.10%	0.18	0.00%	-
			19,549.26		**2,991.01**		**(48.43)**		**2,900.80**
C	**Associate**								
1	N-Dream AG	0.00%	-	-0.09%	(5.37)	0.00%	-	-0.09%	(5.37)
D	Non-Controlling Interest	0.79%	171.09	0.66%	39.80	1.59%	3.00	0.69%	42.80
E	Consolidation adjustments including intercompany eliminations	-65.24%	(14,111.13)	-5.16%	(308.59)	74.49%	140.93	-2.04%	(125.88)
F	**Total (A+B+C+D+E)**		**21,629.67**		**5,985.13**		**189.19**		**6,174.32**

(B) FOR THE YEAR ENDED 31 MARCH 2023

S. 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	83.19%	13,837.26	72.42%	2,801.61	-33.57%	(163.03)	60.60%	2,638.58
	(A)		**13,837.26**		**2,801.61**		**(163.03)**		**2,638.58**
B	**Subsidiaries**								
I	**Indian:**								
	PathPartner Technology Private Limited	2.92%	485.29	3.74%	144.60	-1.17%	(5.70)	3.19%	138.90
II	**Foreign:**								
1	KPIT Technologies (UK) Limited	16.31%	2,712.92	11.32%	438.00	4.41%	21.44	10.55%	459.44
2	KPIT Technologies Inc.	9.56%	1,590.61	2.78%	107.39	0.23%	1.10	2.49%	108.49
3	KPIT Technologies Holding Inc.	8.40%	1,397.29	0.04%	1.52	-0.56%	(2.72)	-0.03%	(1.20)
4	KPIT (Shanghai) Software Technology Co. Limited	0.60%	100.61	-1.63%	(63.13)	-0.23%	(1.10)	-1.48%	(64.23)
5	KPIT Technologies Netherlands B.V	2.36%	392.35	2.64%	102.18	1.64%	7.96	2.53%	110.14
6	KPIT Technologies GK	2.51%	417.48	1.16%	44.77	2.56%	12.45	1.31%	57.22
7	KPIT Technologies GmbH	32.12%	5,341.72	1.01%	39.05	1.14%	5.53	1.02%	44.58
8	KPIT Technologies Pte Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	KPIT Technologias Ltda.	0.64%	106.98	1.22%	47.05	-0.59%	(2.86)	1.01%	44.19

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. 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)
10	MicroFuzzy Industrie-Elektronic GmbH	2.06%	342.41	5.93%	229.52	4.87%	23.67	5.81%	253.19
11	ThaiGerTec Co. Ltd.	0.52%	86.32	0.14%	5.28	0.04%	0.18	0.13%	5.46
12	SOMIT Solutions Limited	0.38%	63.57	0.05%	1.92	0.02%	0.09	0.05%	2.01
13	SOMIT Solutions Inc	0.08%	13.10	0.56%	21.48	0.09%	0.43	0.50%	21.91
14	KPIT Technologies S.A.S.	-0.02%	(3.95)	-0.31%	(12.10)	-0.17%	(0.81)	-0.30%	(12.91)
15	Technica Engineering GmbH	7.28%	1,211.13	5.05%	195.54	2.70%	13.09	4.79%	208.63
16	Technica Electronics Barcelona S.L.	0.69%	114.08	1.65%	63.91	0.88%	4.28	1.57%	68.19
17	Technica Engineering Spain S.L.	0.02%	3.03	0.07%	2.56	0.04%	0.17	0.06%	2.73
18	Technica Engineering Inc.	0.47%	77.70	0.63%	24.44	0.10%	0.49	0.57%	24.93
19	Qorix GmbH	0.27%	44.80	0.00%	-	0.00%	-	0.00%	-
20	PathPartner Technology Inc.	0.42%	69.05	0.35%	13.60	0.04%	0.20	0.32%	13.80
21	PathPartner Technology GmbH	0.00%	(0.48)	-0.04%	(1.59)	-0.02%	(0.12)	-0.04%	(1.71)
	(B)		**14,566.01**		**1,405.99**		**77.77**		**1,483.76**
C	**Joint venture/Associate:**								
1	FMS Future Mobility Solutions GmbH	0.00%	-	0.62%	23.97	0.00%	-	0.55%	23.97
	(C)		-		**23.97**		-		**23.97**
D	Non-Controlling Interest	0.71%	117.56	1.52%	58.65	-1.26%	(6.14)	1.21%	52.51
E	Consolidation adjustments including intercompany eliminations	-71.47%	(11,887.89)	-10.90%	(421.59)	118.82%	577.08	3.57%	155.49
F	**Total (A+B+C+D+E)**		**16,632.94**		**3,868.63**		**485.68**		**4,354.31**

43 DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

DISAGGREGATE REVENUE INFORMATION

The Group disaggregates revenue from contracts with customers by geography and contract type.

The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors.

A Revenue disaggregation by geography has been included in segment information (Refer note 41).

B Revenue disaggregation by contract type is as follows:

Contract Type	31 March 2024	31 March 2023
Time & Material (T&M) and Cap T&M projects	21,597.83	16,961.40
Fixed price projects	24,216.16	15,073.10
License projects	742.82	685.66
Sale from manufacturing unit/ product sale	2,158.60	930.22
Total	**48,715.41**	**33,650.38**

Invoices are payable within contractually agreed credit period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

MOVEMENT IN CONTRACT ASSETS (UNBILLED REVENUE)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	39.24	119.86
Invoicing during the year	(34.52)	(107.36)
Reversals during the year	(4.82)	(12.50)
Revenue recognised during the year	4.28	39.24
Translation difference	0.11	-
Balance at the end of the year	**4.29**	**39.24**

MOVEMENT IN CONTRACT LIABILITIES (UNEARNED REVENUE)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	2,600.86	1,715.33
Addition on account of acquisition of subsidiary	126.13	8.71
Revenue recognised during the year	(2,362.51)	(1,645.08)
Invoiced during the period but not recognised as revenue	4,389.80	2,521.90
Translation difference	(22.31)	-
Balance at the end of the year	**4,731.97**	**2,600.86**

RECONCILIATION OF REVENUE RECOGNISED WITH THE CONTRACTED PRICE

Particulars	31 March 2024	31 March 2023
Contracted price	48,911.82	33,656.19
Reductions towards variable consideration components	(196.41)	(5.81)
Revenue recognised	**48,715.41**	**33,650.38**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the 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 2024, other than those meeting the exclusion criteria mentioned above, is ₹ 9,254.00 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

44 GRATUITY

The Company and its Indian subsidiary provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days of last drawn salary for each completed year of service with a vesting period of 5 years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

The Company's gratuity scheme is a defined benefit plan (funded). The Company manages the plan through a trust. Trustees administer contributions made to the trust.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	589.67	455.98
Addition on account of acquisition of a subsidiary	-	-
Current service cost	94.98	71.65
Interest cost	42.85	30.85
Actuarial loss/(gain) recognised in other comprehensive income		
a) changes in demographic assumptions	1.72	0.68
b) changes in financial assumptions	(4.28)	(15.86)
c) experience adjustments	53.53	100.52
Benefits paid	(52.60)	(54.15)
Present value of defined benefit obligation at the end of the year	725.87	589.67

Changes in the fair value of the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Fair value of plan assets at the beginning of the year	227.41	187.75
Addition on account of acquisition of a subsidiary	-	-
Interest Income	16.24	12.54
Employer contribution	64.63	86.05
Benefits paid	(52.60)	(54.15)
Return on plan assets, excluding interest income	2.02	(4.78)
Fair value of plan assets at the end of the year	257.70	227.41

Amount recognised in the Balance Sheet	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of obligation as at the end of the year	725.87	589.67
Fair value of plan assets at the end of the year	257.70	227.41
Funded status ((surplus)/deficit)	468.17	362.26
Net (asset)/liability recognized in the Balance Sheet	468.17	362.26

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Expenses recognised in the Statement of Profit and Loss	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	94.98	71.65
Interest cost net of interest income on plan assets	26.61	18.31
Expenses recognised in the Statement of Profit and Loss	121.59	89.96

Expenses recognised in the Other Comprehensive Income (OCI)	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss/(gain)	50.97	85.34
Return on plan assets, excluding interest income	2.02	(4.78)
Net (income)/expense recognised in the OCI	48.95	90.12

Category of Assets	For the year ended 31 March 2024	For the year ended 31 March 2023
Insurance fund	257.70	227.41

Actuarial Assumptions:	For the year ended 31 March 2024	For the year ended 31 March 2023
For PathPartner Technology Private Limited		
Expected return on plan assets	7.17%	7.31%
Discount rate	7.17%	7.31%
Salary escalation	12.00%	12.00%
Attrition rate	17.00%	20.00%
For KPIT Technologies Limited		
Expected return on plan assets	7.19%	7.35%
Discount rate	7.19%	7.35%
Salary escalation	5.00%	5.00%
Attrition rate	15.00%	15.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality 2012-14 (Urban).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

SENSITIVITY ANALYSIS

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2024		31 March 2023	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(30.45)	33.66	(24.00)	26.48
Future salary growth (1% movement)	33.63	(30.98)	26.08	(24.11)
Attrition rate (1% movement)	0.14	(0.50)	0.47	(0.74)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2024	31 March 2023
Within 1 year	140.12	117.69
1-2 year	86.60	77.67
2-3 year	87.45	71.74
3-4 year	85.23	68.83
4-5 year	97.06	64.40
5-10 years	288.66	240.12
Thereafter	295.77	235.84

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2024	31 March 2023
For PathPartner Technology Private Limited		
Number of active members	371	504
Per month salary cost for all active members (₹ million)	16.82	19.63
Weighted average duration of the projected benefit obligation (years)	6.00	6.00
Average expected future service (years)	5.00	4.00
Projected benefit obligation (₹ million)	47.75	54.51
Prescribed contribution for next year (12 months) (₹ million)	4.00	4.00
For KPIT Technologies Limited		
Number of active members	9,457	8,542
Per month salary cost for all active members (₹ million)	353.45	277.51
Weighted average duration of the projected benefit obligation (years)	6.00	6.00
Average expected future service (years)	6.00	6.00
Projected benefit obligation (₹ million)	678.13	535.16
Prescribed contribution for next year (12 months) (₹ million)	80.00	80.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

45 SHARE BASED PAYMENTS

45.1 EMPLOYEE STOCK OPTION SCHEME - 2019

In accordance with the terms of the approved Composite Scheme, KPIT Engineering Limited (now known as KPIT Technologies Limited) ("Resulting Company") had issued the stock options to the employees holding options of the KPIT Technologies Limited (now known as Birlasoft Limited) ("Transferee Company" or "Demerged Company") as at the appointed date. The options issued consisted of:

i. 1,807,450 options of the Transferee Company ("Birlasoft options"), equivalent to the number of options outstanding as at the appointed date;

ii. 1,807,450 options of the Resulting Company ("KPIT options"), in the ratio of 1:1 for every outstanding stock options held by the employees in the Transferee Company.

The Board of Directors of the Company approved the Employees Stock Option Scheme at their meeting on 15 May 2019. Pursuant to this approval, the Company instituted ESOS 2019 in May 2019. The compensation committee of the Company administers this Plan. Each type of option carries with it the right to purchase one equity share of the Demerged Company or the Resulting Company as the case may be. In terms of clause 18.5 of the Composite Scheme, the stock options had been granted at an exercise price which was the pre-demerger exercise price suitably adjusted in the manner of share exchange ratio. Further, as per the Composite Scheme, the Company had taken into account the vesting period completed, under the plan in the Demerged Company, prior to the grant of options to the employee under the ESOS 2019. The maximum exercise period is 5 years from the date of vesting.

The outstanding stock options held by employees of the Demerged Company as at 31 March 2024 are 22,200 and 20,000 of Birlasoft options and KPIT options respectively. The employee compensation cost for such employees is not eligible for recognition in the books of the Company.

The number of outstanding Birlasoft options held by employees of the Company as at 31 March 2024 are Nil. The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in this respect in the Statement of Profit and Loss.

Below are the details pertaining to the KPIT options held by employees of the Company:

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	120,800	46.34	210,300	45.75
Forfeited/surrendered during the year	-	-	2,800	44.96
Exercised during the year	118,600	46.36	84,600	44.96
Lapsed during the year	2,200	44.96	2,100	44.96
Options outstanding at the end of the year	-	-	120,800	46.34
Options exercisable at the end of the year	-	-	120,800	46.34

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 667.89.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2023-24		FY 2022-23	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	NA	Nil	0.30	100,800
₹ 50 to ₹ 100	NA	Nil	2.07	20,000

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

45.2 EMPLOYEE STOCK OPTION SCHEME – 2019A

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESOS 2019A in July 2019. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The options approved under this scheme are 3,793,923.

The options had been originally granted to employees of the Company and its subsidiaries at an exercise price equivalent to the fair market price of the Company's share as on the date of grant of options. The Nomination and Remuneration Committee of the Board of Directors of the Company, in its meeting held on 30 July 2020 approved the modification in the exercise price of the options granted. The exercise price is modified to ₹ 10 per option.

The options would vest not earlier than statutory minimum vesting period of 1 year and up to the maximum period of 4 years from the date of grant of options or such period as may be decided by the Committee at the time of each grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of options. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	2,710,825	10.00	31,30,440	10.00
Options granted during the year	80,000	10.00	241,250	10.00
Forfeited/surrendered during the year	47,200	10.00	161,500	10.00
Exercised during the year	679,770	10.00	496,665	10.00
Lapsed during the year	2,500	10.00	2,700	10.00
Options outstanding at the end of the year	2,061,355	10.00	2,710,825	10.00
Options exercisable at the end of the year	1,776,380	10.00	112,925	10.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 1,135.78.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2023-24		FY 2022-23	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	4.09	2,061,355	4.93	2,710,825

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	FY 2023-24	FY 2022-23
Exercise price (₹)	10.00	10.00
Weighted average price of the underlying share in market at the time of the option grant (₹)	1,145.01	595.07
Weighted average fair value of options granted (₹)	1,123.94	536.23
Expected life of the option (years)	3.76	3.76
Risk free interest rate (%)	6.95	7.00
Expected volatility (%)	47.36	48.69
Dividend yield (%)	0.32	0.53

The Group recorded an employee compensation cost of ₹ 91.65 million (Previous year ₹ 118.74 million) in the statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

45.3 EMPLOYEE SHARE PURCHASE SCHEME – 2019

The Board of Directors and the shareholders of the Company approved Employee Share Purchase Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESPS 2019 in July 2019. The compensation committee of the Company administers this Plan. The shares approved under this scheme are 40,000 equity shares. The shares have been granted to employees of the Company and its subsidiaries at a price not less than the face value per share of the Company at the time of the offer.

Number and offer prices of shares granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2023-24		FY 2022-23	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	-	-	25	10.00
Shares granted during the year	-	-	-	-
Exercised during the year	-	-	25	10.00
Cancelled during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

46 INCOME TAXES

The income tax expense consists of following:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Tax expense		
Current tax	2,379.01	1,091.25
Deferred tax (benefit)/charge	(359.75)	7.99
Total tax expense	**2,019.26**	**1,099.24**

The net charge relating to temporary differences during the year ended 31 March 2024 is primarily on account of property, plant & equipment, intangible assets, leases, employee benefits and provisions.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	8,004.39	4,967.87
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	2,797.05	1,735.97
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax exemption/tax holiday	(676.19)	(696.75)
Effect relating to prior years	(1.64)	-
Effect of permanent adjustments	122.17	284.64
Effect of differential overseas tax rates	(213.94)	(121.76)
Effect of unrecognised deferred tax assets	(37.14)	(103.67)
Others (net)	28.95	0.81
Total income tax expense	**2,019.26**	**1,099.24**

The Group benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ). Accordingly, units designated in SEZ are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Group expires in various years through fiscal year 2027. From 1 April 2011 units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Some subsidiaries of the Group have unabsorbed depreciation and losses under respective local tax laws and it is not probable that taxable profits will be available in the future. Hence, deferred tax assets on temporary differences have been recognized only to the extent of deferred tax liabilities. The amount of unrecognised deferred tax assets is ₹ 37.14 million (Previous year ₹ 108.66 million).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

DEFERRED TAX

Gross movement in deferred income tax account for the year ended 31 March 2024:

Particulars	Net deferred income tax (liability) / asset at the beginning as on 1 April 2023	Recognised in Profit and Loss Credit / (Charge) relating to temporary differences	Recognised in other comprehensive income	MAT credit entitlement / (utilisation) during the year	Other*	Net deferred income tax (liability) / asset at the end as at 31 March 2024
Deferred tax asset						
Property, plant and equipment and intangible assets	2.26	139.71	-	-	-	141.97
Provision for employee benefits	184.02	(30.57)	18.63	-	(0.01)	172.07
Provisions	94.05	128.06	-	-	-	222.11
Forward contracts designated as cash flow hedge	27.06	-	(27.06)	-	-	-
Others	63.31	152.77	-	-	(4.47)	211.61
MAT credit entitlement	332.76	-	-	(146.22)	-	186.54
Total deferred tax asset	**703.46**	**389.97**	**(8.43)**	**(146.22)**	**(4.48)**	**934.30**
Deferred tax liabilities						
Property, plant and equipment and intangible assets	0.06	67.82	-	-	-	67.88
Forward contracts designated as cash flow hedge	-	-	46.81	-	-	46.81
Customer relationship	600.06	(87.40)	-	-	160.07	672.73
Others	4.76	49.80	-	-	0.11	54.67
Total deferred tax liability	**604.88**	**30.22**	**46.81**	**-**	**160.18**	**842.09**
Net deferred tax asset/ (liability)	**98.58**	**359.75**	**(55.24)**	**(146.22)**	**(164.66)**	**92.21**

**Others include net deferred income tax liability recognized on customer relationship and translation difference.*

Gross movement in deferred income tax account for the year ended 31 March 2023:

Particulars	Net deferred income tax (liability) / asset at the beginning as on 1 April 2022	Recognised in Profit and Loss Credit / (Charge) relating to temporary differences	Recognised in other comprehensive income	MAT credit entitlement / (utilisation) during the year	Other*	Net deferred income tax (liability) / asset at the end as at 31 March 2023
Deferred tax asset						
Property, plant and equipment and intangible assets	17.91	(15.65)	-	-	-	2.26
Provision for employee benefits	164.59	(11.40)	30.83	-	-	184.02
Provisions	108.82	(17.67)	-	-	2.90	94.05
Forward contracts designated as cash flow hedge	-	-	27.06	-	-	27.06
Others	63.03	(6.48)	-	-	6.76	63.31
MAT credit entitlement	466.16	-	-	(133.40)	-	332.76
Total deferred tax asset	**820.51**	**(51.20)**	**57.89**	**(133.40)**	**9.66**	**703.46**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	Net deferred income tax (liability) / asset at the beginning as on 1 April 2022	Recognised in Profit and Loss Credit / (Charge) relating to temporary differences	Recognised in other comprehensive income	MAT credit entitlement / (utilisation) during the year	Other*	Net deferred income tax (liability) / asset at the end as at 31 March 2023
Deferred tax liabilities						
Property, plant and equipment and intangible assets	5.95	(5.89)	-	-	-	0.06
Forward contracts designated as cash flow hedge	30.94	-	(30.94)	-	-	-
Customer relationship	-	(22.23)	-	-	622.29	600.06
Others	19.86	(15.09)	-	-	(0.01)	4.76
Total deferred tax liability	**56.75**	**(43.21)**	**(30.94)**	**-**	**622.28**	**604.88**
Net deferred tax asset/ (liability)	**763.76**	**(7.99)**	**88.83**	**(133.40)**	**(612.62)**	**98.58**

**Others include net deferred income tax liability recognized on customer relationship and translation difference.*

Note:

During the year, the Company has recognised intangible asset of customer relationship in consolidated financial statements. These intangible assets would be amortised over a period of life of such asset. Accordingly, a deferred tax liability is created on such assets, which shall be reversed over the period of amortisation.

Deferred tax liability (DTL) is not recognised on the accumulated undistributed profits of the subsidiary in the Consolidated financial statements of the Group, if it is determined that such accumulated undistributed profits will not be distributed in the foreseeable future.

47 BASIC AND DILUTED EARNINGS PER SHARE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Face value per equity share (₹)	**10.00**	**10.00**
Profit for the year attributable to owners of the Company (₹ million)	5,945.33	3,809.98
Weighted average number of equity shares outstanding	270,893,910	270,123,511
Earnings per share – basic (₹)	**21.95**	**14.10**
Weighted average number of equity shares outstanding	270,893,910	270,123,511
Add: Effect of dilutive potential equity shares on account of employee stock options	2,246,952	2,975,056
Weighted average number of diluted equity shares outstanding	273,140,862	273,098,567
Earnings per share – diluted (₹)	**21.77**	**13.95**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

48 LEASES

GROUP AS A LESSEE

The Group's lease asset classes primarily consist of leases for land, buildings, plant & equipments and vehicles.

A Refer note 5 for changes in the carrying amount of right of use assets.

B Break up of current and non-current lease liabilities

Particulars	31 March 2024	31 March 2023
Non-current lease liabilities	2,167.48	1,864.28
Current lease liabilities	672.68	508.88
Total	**2,840.16**	**2,373.16**

C Movement in lease liabilities

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	2,373.16	2,246.46
Additions during the year	765.03	253.26
Additions on account of business combination (Refer note 51)	32.37	371.30
Finance cost accrued on lease liabilities	156.80	120.79
Payment of lease liabilities	(779.00)	(578.31)
Termination/modification of leases	283.66	(144.84)
Translation difference	8.14	104.50
Balance at the end of the year	**2,840.16**	**2,373.16**

D Contractual maturity analysis of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2024	31 March 2023
Not later than one year	816.66	623.46
Later than one year and not later than five years	2,076.23	1,574.16
Later than five years	342.79	537.96
Total undiscounted lease liabilities	**3,235.68**	**2,735.58**

The Group does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded in the Statement of Profit and Loss consist of :

a. Short-term leases - ₹ 57.62 million (Previous Year ₹ 62.95 million).

b. Low value leases - ₹ 3.46 million (Previous Year ₹ 4.45 million).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

49 DETAILS OF PROVISIONS AND MOVEMENTS IN EACH CLASS OF PROVISIONS AS REQUIRED BY THE IND-AS 37 ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

49.1 WARRANTY

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required to maintain the software during the period of warranty, the estimated cost of which is accrued at the time of sale of license of software to the customers/at the time of providing service. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The movement in the said provision is as under:

Particulars	31 March 2024	31 March 2023
Carrying amount as at the beginning of the year	184.32	123.10
Additional provision made during the year	77.46	46.25
Additions on account of acquisition	-	19.46
Reversals during the year	-	(4.49)
Exchange difference on translation	0.12	-
Carrying amount at the end of the year	261.90	184.32

The expected period of utilisation of warranty provision cannot be reasonably estimated as at the reporting date.

49.2 PROVISION FOR CLAIMS

Provision for claims represents the cash outflows estimated by the Company against the claims made. The timing of cash outflows in respect of such provision cannot be reasonably determined. The movement in the said provision is as under:

Particulars	31 March 2024	31 March 2023
Carrying amount as at the beginning of the year	-	259.58
Additional provision made during the year	-	-
Reversal of provision	-	(83.23)
Provision utilised during the year	-	(176.35)
Carrying amount at the end of the year	-	-

49.3 CONTINGENT LIABILITIES

Particulars	31 March 2024	31 March 2023
Outstanding bank guarantees in routine course of business	170.61	144.13
GST related matters appealed by the Company	2.98	-
Bond executed in favour of Customs Authorities (against which the company has furnished Bank guarantee of ₹ 0.19 million (Previous Year ₹ 0.19 million))	3.85	3.85
Income tax matters appealed by the Company*	-	3.21

** The case under appeal pertains to financial year ended 31 March 2017 where the additional demand raised is adjusted against the refund due for that year and the matter is pending before the Commissioner of Income Tax (Appeals).*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

49.4 COMMITMENTS

Particulars		31 March 2024	31 March 2023
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
	a. Property, plant and equipment	96.09	136.69
	b. Intangible assets	18.99	24.69
(ii)	Leases not yet commenced to which the Company is committed (on an undiscounted cash flows basis)	343.52	Nil

50 RELATED PARTY DISCLOSURES

50.1 RELATED PARTY DISCLOSURES WHERE CONTROL EXISTS

A. Direct subsidiaries

S. No.	Name of the subsidiary	Country of incorporation	% voting power held As at 31 March 2024	% voting power held As at 31 March 2023
Direct subsidiaries				
1	KPIT Technologies (UK) Limited[(i)]	United Kingdom	100	100
2	KPIT (Shanghai) Software Technology Co. Limited	China	100	100
3	KPIT Technologies Netherlands B.V.	Netherlands	100	100
4	KPIT Technologies Pte Ltd. (upto 4 July 2022)[(ii)]	Singapore	-	-
5	KPIT Technologies Holding Inc.	United States of America	100	100
6	KPIT Technologias Ltda.[(iii)]	Brazil	100	100
7	PathPartner Technology Private Limited	India	80	80
8	KPIT Technologies GK[(iv)]	Japan	100	100
9	Qorix GmbH (w.e.f 10 March 2023)	Germany	100	100

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

ii. Striking off of KPIT Technologies Pte Ltd. is completed on 4 July 2022.

iii. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA

iv. Includes branch KPIT Technologies GK, Korea

B. Indirect subsidiaries

S. No.	Name of the subsidiary	Country of incorporation	As at 31 March 2024	As at 31 March 2023
1	KPIT Technologies GmbH, Germany[(i)] (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100	100
2	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100	100

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Name of the subsidiary	Country of incorporation	As at 31 March 2024	As at 31 March 2023
3	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	100
4	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	80	80
5	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	80	80
6	KPIT Tech (Thailand) Co., Ltd.[ii] (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100	100
7	SOMIT Solutions Limited (w.e.f. 30 May 2022) (Subsidiary of KPIT Technologies (UK) Limited)	United Kingdom	100	100
8	SOMIT Solutions Inc (w.e.f. 30 May 2022) (Subsidiary of SOMIT Solutions Limited)	United States of America	100	100
9	KPIT Technologies S.A.S. (w.e.f. 23 September 2022) (Subsidiary of KPIT Technologies Netherlands B.V.)	France	100	100
10	Technica Engineering GmbH (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	100
11	Technica Electronics Barcelona S.L. (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies GmbH, Germany)	Spain	100	100
12	Technica Engineering Spain S.L. (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies GmbH, Germany)	Spain	100	100
13	Technica Engineering Inc. (w.e.f 1 October 2022) (Subsidiary of KPIT Technologies Inc.)	United States of America	100	100
14	FMS Future Mobility Solutions GmbH (w.e.f. 1 April 2023) (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100	NA

i. 72.73% owned by KPIT Technologies (UK) Limited and 27.27% owned by KPIT Technologies Limited, India

ii. 98.31% owned by KPIT Technologies (UK) Limited, 0.06% owned by KPIT Technologies Limited, India and 1.63% owned by KPIT Technologies GmbH, Germany.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

C. EMPLOYEE BENEFIT TRUSTS

S. No.	Name of the subsidiary	Country of incorporation	As at 31 March 2024	As at 31 March 2023
1	KPIT Technologies Employees Welfare Trust	India	100	100
2	KPIT Technologies Limited Employees Group Gratuity Scheme	India	100	100

50.2 RELATED PARTIES WHERE SIGNIFICANT INFLUENCE EXISTS (ASSOCIATES AND JOINT VENTURES IN WHICH THE ENTITY IS A JOINT VENTURER)

S. No.	Name of the associate/joint venture	Country of incorporation	As at 31 March 2024	As at 31 March 2023
1	PathPartner Interior Sensing Private Limited (upto 23 September 2022)	India	-	-
2	FMS Future Mobility Solutions GmbH (upto 31 March 2023)	Germany	NA	25
3	Yantra Digital Services Private Limited (upto 23 August 2022)	India	-	-
4	N-Dream AG (w.e.f 14 December 2023)	Switzerland	13.01	-

50.3 LIST OF KEY MANAGEMENT PERSONNEL:

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit	Non-Executive Director
	Mr. Kishor Patil	Executive Director
	Mr. Sachin Tikekar	Executive Director
	Mr. Anup Sable	Executive Director
	Mr. Chinmay Pandit	Additional and Executive Director (w.e.f. 26 July 2022)
	Mr. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Nickhil Jakatdar	Independent Director (upto 15 January 2024)
	Ms. Bhavna Doshi	Independent Director
	Prof. Rajiv Lal	Independent Director
	Ms. Shubhalakshmi Panse	Independent Director (upto 17 June 2021)
	Mr. Srinath Batni	Additional and Independent Director (w.e.f. 25 July 2023)
	Ms. Priyamvada Hardikar	Chief Financial Officer
	Ms. Nida Deshpande	Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

50.4 LIST OF OTHER RELATED PARTIES WITH WHOM THERE ARE TRANSACTIONS:

Promoter	Mr. Ajay Bhagwat (w.e.f 1 April 2022)
	Mr. Ashwini Bhagwat (w.e.f 1 April 2022)
	Mr. Shrikrishna Patwardhan (w.e.f 1 April 2022)
Relative of KMP	Mr. S.B.(Ravi) Pandit (w.e.f 26 July 2022)
	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Asha Khandkar
	Mr. Ameya Mehendale
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited (upto 26 July 2022)
	Proficient FinStock LLP
	Sentient Labs Private Limited
	Kirtane & Pandit LLP
	K & P Management Services Private Limited
	KP Capital Advisors Private Limited

50.5 TRANSACTIONS WITH RELATED PARTIES

S. No.	Name of the related party	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
Transactions with Key Management Personnel and relative of Key Management Personnel [(i) & (ii)]					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	Nil	Nil
	Dividend paid	4.70	Nil	3.26	Nil
	Commission paid	10.39	Nil	7.75	Nil
	Sitting fees	0.55	Nil	0.66	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.14	Nil	0.14	Nil
2	**Mr. Kishor Patil**				
	Short term employee benefits	62.95	Nil	50.48	Nil
	Post employment benefits	2.85	Nil	2.17	Nil
	Sitting fees	Nil	Nil	0.01	Nil
	Dividend paid	63.39	Nil	44.04	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	1.04	0.08	0.86	1.12
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	57.13	Nil	45.39	Nil
	Post employment benefits	2.06	Nil	1.62	Nil
	Dividend paid	3.52	Nil	2.45	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Name of the related party	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
	Perquisites	0.53	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.57	0.03	0.45	(0.09)
4	**Mr. Anup Sable**				
	Short term employee benefits	16.00	Nil	12.85	Nil
	Post employment benefits	0.42	Nil	0.35	Nil
	Share based compensation	2.07	Nil	2.64	Nil
	Sitting fees	Nil	Nil	0.01	Nil
	Dividend paid	1.91	Nil	1.33	Nil
	Perquisites	0.02	Nil	Nil	Nil
	Reimbursement of expenses (net)	2.18	0.29	2.27	(0.70)
5	**Mr. Chinmay Pandit**				
	Short term employee benefits	44.43	Nil	36.35	Nil
	Post employment benefits	0.50	Nil	Nil	Nil
	Salary advance	4.14	Nil	Nil	Nil
	Recovery of salary advance	4.14		3.02	
	Dividend paid	0.18	Nil	0.13	Nil
	Perquisites	0.53	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.41	Nil	0.81	Nil
6	**Mr. Anant Talaulicar**				
	Commission paid	6.75	Nil	4.92	Nil
	Sitting fees	0.59	Nil	0.66	Nil
7	**Mr. B V R Subbu**				
	Commission paid	3.97	Nil	3.29	Nil
	Sitting fees	0.43	Nil	0.52	Nil
	Reimbursement of expenses (net)	0.02	Nil	Nil	Nil
8	**Ms. Shubhalakshmi Panse**				
	Commission paid	NA	NA	0.49	Nil
	Sitting fees	NA	NA	Nil	Nil
9	**Mr. Nickhil Jakatdar**				
	Commission paid	2.67	Nil	2.09	Nil
	Sitting fees	0.09	Nil	0.21	Nil
	Reimbursement of expenses (net)	1.17	Nil	Nil	Nil
10	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	4.91	Nil	4.06	Nil
	Reimbursement of expenses (net)	0.42	Nil	0.80	Nil
	Sitting fees	0.20	Nil	0.26	Nil
11	**Ms. Bhavna Doshi**				
	Sitting fees	0.41	Nil	0.42	Nil
	Commission paid	3.80	Nil	1.25	Nil
12	**Prof. Rajiv Lal**				
	Sitting fees	0.25	Nil	0.26	Nil
	Commission paid	3.97	Nil	0.47	Nil
	Reimbursement of expenses (net)	0.01	Nil	Nil	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Name of the related party	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
13	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	14.88	Nil	10.68	Nil
	Post employment benefits	0.31	Nil	0.28	Nil
	Share based compensation	2.04	Nil	2.48	Nil
	Perquisites	0.02	Nil	8.60	Nil
	Dividend paid	0.34	Nil	0.21	Nil
	Reimbursement of expenses (net)	0.27	(0.00)*	0.32	(0.13)
Transactions with Key Management Personnel and relative of Key Management Personnel [(i) & (ii)]					
14	**Ms. Nida Deshpande**				
	Short term employee benefits	4.50	Nil	3.21	Nil
	Post employment benefits	0.17	Nil	0.11	Nil
	Perquisites	0.48	Nil	Nil	Nil
	Dividend paid	0.00*	Nil	0.00*	Nil
	Reimbursement of expenses (net)	0.01	Nil	0.00*	Nil
	Share based compensation	0.01	Nil	0.07	Nil
15	**Ms. Jayada Pandit**				
	Short term employee benefits	7.93	Nil	2.57	Nil
	Post employment benefits	0.03	Nil	0.07	Nil
	Perquisites	0.01	Nil	Nil	Nil
	Advance	0.35	0.35	Nil	Nil
16	**Ms. Anupama Kishor Patil**				
	Dividend paid	0.55	Nil	3.16	Nil
17	**Ms. Hemlata Shende**				
	Dividend paid	0.10	Nil	0.07	Nil
18	**Ms. Manasi Patil**				
	Short term employee benefits	3.22	Nil	2.88	Nil
	Post employment benefits	0.10	Nil	0.08	Nil
	Dividend paid	0.01	Nil	0.01	Nil
	Perquisites	0.02	Nil	Nil	Nil
19	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	1.14	Nil	0.79	Nil
20	**Ms. Asha Khandkar**				
	Dividend paid	0.00*	Nil	0.00*	Nil
21	**Mr. Ameya Mehendale**				
	Dividend paid	0.00*	Nil	0.00*	Nil
22	**Mr. Srinath Batni**				
	Sitting fees	0.16	Nil	NA	NA
Transactions with promoters [(i) & (ii)]					
1	**Mr. Ajay Bhagwat**				
	Dividend paid	11.49	Nil	8.70	Nil
2	**Ms. Ashwini Bhagwat**				
	Dividend paid	0.21	Nil	0.14	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

S. No.	Name of the related party	31 March 2024		31 March 2023	
		Amount of transactions during the year	Balance as on 31 March 2024 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)
3	**Mr. Shrikrishna Patwardhan**				
	Short term employee benefits	0.56	Nil	4.51	Nil
	Post employment benefits	0.03	Nil	0.19	Nil
	Reimbursement of expenses (net)	0.19	Nil	0.00*	(0.33)
	Dividend paid	5.23	Nil	3.63	Nil
	Perquisites	0.02	Nil	Nil	Nil
Transactions with enterprise over which Key Management Personnel have significant influence (i)					
1	**Kirtane & Pandit LLP**				
	Professional fees	2.18	(0.21)	1.74	0.04
2	**K & P Management Services Private Limited**				
	Dividend paid	1.43	Nil	0.99	Nil
3	**KP Capital Advisors Private Limited**				
	Professional fees	NA	NA	0.42	0.02
4	**KP Corporate Solutions Limited**				
	Professional fees	NA	NA	0.90	NA
5	**Proficient FinStock LLP**				
	Dividend paid	422.09	Nil	293.24	Nil
6	**Sentient Labs Private Limited**				
	Advance received (net)	21.75	(2.40)	128.00	8.51
	Reimbursement of expenses (net)	9.16		181.29	
Transactions with joint ventures/associate (i)					
1	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	NA	NA	Nil	Nil
2	**FMS Future Mobility Solutions GmbH**				
	Investment in equity	NA	NA	Nil	252.22
	Professional fees	NA	NA	227.40	(41.22)
	Reimbursement of expenses (net)	NA		(1.64)	
	Sale	NA	NA	99.64	50.18
3	**Yantra Digital Services Private Limited**				
	Proceeds from liquidation process	NA	NA	0.98	Nil
4	**N-Dream AG**				
	Investment in equity (Refer note 52)	86.75	81.38	NA	NA
Transactions with Employee benefit trust					
1	**KPIT Technologies Limited Employees Group Gratuity Scheme**				
	Contribution to post employment benefit plan	61.63	257.58	80.26	229.55

** Since denominated in ₹ millions.*

(i) All transactions with these related parties are priced on an arm's length basis.

(ii) Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

51 BUSINESS COMBINATIONS

A. BUSINESS COMBINATIONS DURING THE CURRENT FINANCIAL YEAR (FY 2023-24)

51.1 Acquisition of FMS Future Mobility Solutions GmbH

Effective 1 April 2023, the Group has acquired the balance stake of 75% in FMS Future Mobility Solutions GmbH, Germany (FMS) through KPIT Technologies GmbH, a wholly owned step down subsidiary of the Company. Pursuant to this KPIT Technologies GmbH now holds 100% stake in FMS.

FMS is engaged in Software and Feature Development in Autonomous Driving, ADAS & Vehicle Safety and Integration & Validation.

The acquisition of FMS will add certain unique proprietary offerings in the autonomous driving domain. The partnership will improve KPIT access to one strategic client with new offerings and strengthen KPIT market presence in Germany.

a. Consideration transferred (at the acquisition date fair values)

Particulars	Amount in ₹ (million)
Cash consideration	631.54
Deferred consideration	540.90
Cash Free Debt Free Adjustment	185.43
Total	**1,357.87**

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition

Particulars	Amount in ₹ (million)
ASSETS	
Non-current assets	
Property, plant and equipment	14.37
Right-of-use assets	32.51
Other intangible assets	2.10
	48.98
Current assets	
Financial assets	
Trade receivables	
Billed	123.54
Unbilled	73.59
Cash and cash equivalents	137.94
Other financial assets	1.30
Other Current assets	24.51
	360.88
Total assets	**409.86**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	Amount in ₹ (million)
Liabilities	
Current liabilities	
Financial liabilities	
Borrowings	70.11
Lease liabilities	32.37
Trade payables	5.76
Other financial liabilities	4.07
Other current liabilities	148.44
Provisions	73.36
Income tax liabilities (net)	9.51
	343.62
Total liabilities	**343.62**
Total identifiable net assets at fair value	**66.24**

c. Purchase price allocation (as at the acquisition date)

Particulars	Amount in ₹ (million)
Purchase consideration	1,357.87
Less : Customer relationships	446.93
Add : Deferred tax liability on Customer relationships	156.18
Less : Fair value of identifiable net assets acquired	66.24
Add : Fair value of pre-existing interest in FMS (Refer note i below)	390.81
Goodwill arising on acquisition	**1,391.69**

Note:

(i) The remeasurement to fair value of the Group's existing 25% interest in FMS resulted in a gain of ₹ 134.13 million. This gain has been included in other income, in the Statement of Profit and Loss.

(ii) The above Goodwill is primarily on account of assembled workforce of the Group taken over in the acquisition and expected synergies arising from the acquisition which cannot be recognized as a separate intangible asset as per IND-AS 103.

(iii) The Goodwill recognised is not expected to be deductible for tax purpose.

d. Net cash outflow on acquisition of subsidiary

Particulars	Amount in ₹ (million)
Consideration paid in cash	1,357.87
Less : Cash and cash equivalents balances acquired	137.94
Net cash outflow on acquisition	**1,219.93**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

e. During the current year, from the date of acquisition, the acquiree has contributed ₹ 788.63 million to revenue and ₹ 51.06 million to the profit before tax from continuing operations of the Group.

f. The acquisition related cost separately recognised in other expenses, in the Statement of Profit and Loss is ₹ 4.15 million.

B. BUSINESS COMBINATIONS DURING THE PREVIOUS FINANCIAL YEAR (FY 2022-23)

51.2 Acquisition of SOMIT Solutions Limited

Effective 31 May 2022, the Company had acquired controlling stake in SOMIT Solutions Limited ("SOMIT") through its wholly owned subsidiary KPIT Technologies (UK) Limited. SOMIT enables after-sales operations of high tech luxury and new age OEMs through a cloud-based vehicle diagnostics platform & expert consulting services.

SOMIT's cloud-based platform features an intelligent and intuitive diagnostics solution that will enhance a service technician's user experience and improve service quality by increasing the ratio of first-time-right repairs. The acquisition of SOMIT complements KPIT's aftersales diagnostics platform and strengthens its positioning to cater to the multi-billion automotive aftersales industry and address higher value share in KPIT's strategic clients.

a. Consideration transferred (at the acquisition date fair values)

Particulars	Amount in ₹ (million)
Cash consideration	
Tranche 1	343.79
Tranche 2	190.86
Contingent consideration (Refer note f below)	165.51
Total	**700.16**

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition

Particulars	Amount in ₹ (million)
ASSETS	
Non-current assets	
Property, plant and equipment	1.01
Other intangible assets	3.54
Financial assets	
Investments in subsidiaries	2.20
	6.75
Current assets	
Financial assets	
Trade receivables	25.01
Cash and cash equivalents	34.37
Other financial assets	81.09
Other Current assets	0.20
	140.67
Total assets	**147.42**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	Amount in ₹ (million)
Liabilities	
Current liabilities	
Financial liabilities	
Trade payables	0.02
Other financial liabilities	10.30
Other current liabilities	75.53
	85.85
Total liabilities	**85.85**
Total identifiable net assets at fair value	**61.57**

c. Purchase price allocation

Particulars	Amount in ₹ (million)
Purchase consideration	700.16
Less : Customer relationships	44.43
Add : Deferred tax liability on Customer relationships	15.53
Less : Fair value of identifiable net assets acquired	61.57
Goodwill arising on acquisition	**609.69**

Note:

(i) The above Goodwill is primarily on account of assembled workforce of the Group taken over in the acquisition and expected synergies arising from the acquisition which cannot be recognized as a separate intangible asset as per IND-AS 103.

(ii) The Goodwill recognised is not expected to be deductible for tax purpose.

d. Net cash outflow on acquisition of subsidiary

Particulars	Amount in ₹ (million)
Consideration paid in cash	534.65
Less : Cash and cash equivalent balances acquired	34.37
Net cash outflow on acquisition	**500.28**

e. During the previous year, from the date of acquisition, the acquiree along with its subsidiary had contributed ₹ 251.17 million to revenue and ₹ 31.85 million to the profit before tax from continuing operations of the Group. If the combination had taken place at 1 April 2022, the Group's revenue for the year ended 31 March 2023 would have been ₹ 33,951.78 million and the profit before tax would have been ₹ 5,006.09 million.

f. The Share Purchase Agreement provides for a earnout consideration which is linked to the financial performance of the Acquiree. Accordingly, the Group had recorded a contractual obligation during the previous year based on a probability weightage method considering the scenario-based outcomes. The estimate of probability of achieving them is almost certain.

g. The Group had also taken over its share of reserves as at 31 May 2022, in the wholly owned subsidiary of the acquiree, amounting to ₹ (7.43) million.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

h. During the previous year, the acquisition related cost separately recognised in other expenses, in the Statement of Profit and Loss was ₹ 14.08 million.

51.3 Acquisition of Technica Group

Effective 1 October 2022, the Group had acquired the entire stake in Technica Group. Technica Group specializes in production-ready system prototyping (combination of network system architecture, hardware prototyping, integration), automotive ethernet products, and tools for validation.

Technica Group consists of Technica Engineering GmbH, Germany ("Technica Germany"), Technica Electronics Barcelona S.L., Spain ("Technica Barcelona"), Technica Engineering Spain S.L., Spain ("Technica Spain") and Technica Engineering Inc, USA ("Technica USA").

The acquisition of Technica Group will create across-the-stack expertise offering a one-stop shop for the industry to transform towards Software Defined Vehicles.

a. Consideration transferred (at the acquisition date fair values)

Particulars	Amount in ₹ (million)
Cash consideration	5,373.01
Deferred consideration	1,776.65
Working capital adjustments	232.96
Contingent consideration (Refer note f below)	2,487.37
Total	**9,869.99**

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition

Particulars	Amount in ₹ (million)
ASSETS	
Non-current assets	
Property, plant and equipment	114.99
Right-of-use assets	424.84
Other intangible assets	1.03
Income tax assets (net)	1.40
	542.26
Current assets	
Inventories	576.54
Financial assets	
Trade receivables	
Billed	1,059.43
Unbilled	410.50
Cash and cash equivalents	302.31
Other financial assets	150.43
Other Current assets	8.40
	2,507.61
Total assets	**3,049.87**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	Amount in ₹ (million)
Liabilities	
Current liabilities	
Financial liabilities	
Borrowings	527.52
Lease liabilities	416.51
Trade payables	334.76
Other financial liabilities	435.74
Other current liabilities	97.84
Provisions	8.88
Income tax liabilities (net)	193.42
	2,014.67
Total liabilities	**2,014.67**
Total identifiable net assets at fair value	**1,035.20**

c. Purchase price allocation

Particulars	Amount in ₹ (million)
Purchase consideration	9,869.99
Less : Customer relationships	1,675.40
Add : Deferred tax liability on Customer relationships	585.45
Less : Fair value of identifiable net assets acquired	1,035.20
Goodwill arising on acquisition	**7,744.84**

Note:

(i) The above Goodwill is primarily on account of assembled workforce of the Group taken over in the acquisition and expected synergies arising from the acquisition which cannot be recognized as a separate intangible asset as per IND-AS 103.

(ii) During the current year, the Group has finalised the purchase price allocation of Technica Group.

(iii) The Goodwill recognised is not expected to be deductible for tax purpose.

d. Net cash outflow on acquisition of subsidiary

Particulars	Amount in ₹ (million)
Consideration to be paid in cash as at acquisition date	5,373.01
Less : Cash and cash equivalents balances acquired	302.31
Net cash outflow on acquisition	**5,070.70**

e. During the previous year, from the date of acquisition, the acquiree (Technica Group) had contributed ₹ 2,641.91 million to revenue and ₹ 359.56 million to the profit before tax from continuing operations of the Group. If the combination had taken place at 1 April 2022, the Group's revenue would have been ₹ 38,934.20 million and the profit before tax would have been ₹ 5,686.99 million.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

f. The Share Purchase Agreement provides for a earnout consideration which is linked to the financial performance of the Acquiree. Accordingly, the Group had recorded a contractual obligation during the previous year based on a probability weightage method considering the scenario-based outcomes. The estimate of probability of achieving them is almost certain.

g. During the previous year, the acquisition related cost separately recognised in other expenses, in the Statement of Profit and Loss was ₹ 157.82 million.

52 INVESTMENT IN N-DREAM AG

During the current year, the Company has entered into Shareholders' Agreement, Share Purchase Agreement, and Investment and Subscription Agreement for a strategic investment in N-Dream AG (N-Dream). N-Dream AG is a Cloud based Game Aggregation Platform company based in Switzerland. This strategic investment in N-Dream AG is part of Company's roadmap to enable Automotive OEMs enhance the driver & passenger experience in the Cockpit of the Future.

The Company has done an initial strategic investment of 13.01% stake in N-Dream for a total cash consideration of EUR 3.00 million.

Further, in accordance with the agreements entered into, the Company has multiple options to increase its shareholding over the period of next 4 years in a staggered manner. As at the investment date, the Company has recognised derivate asset for the same. The derivative asset is initially measured at fair value and correspondingly adjusted in the cost of investment amounting to ₹ 184.45 million. As at 31 March 2024, the fair value of derivative asset is ₹ 179.23 million. Fair valuation impact of ₹ 5.46 million is recognised in the Statement of Profit & Loss for the year ended 31 March 2024.

PURCHASE PRICE ALLOCATION

Particulars	Amount in ₹ (million)
Purchase consideration after adjusting derivative	86.75
Less : Fair value of identifiable net assets acquired	26.86
Less : Customer relationships	5.88
Goodwill arising on investment in an associate	**54.01**

53 DISCLOSURE OF FINANCIAL INFORMATION OF SUBSIDIARIES WITH MATERIAL NON - CONTROLLING INTEREST

THE INTEREST THAT NON-CONTROLLING INTEREST HAVE IN THE GROUP'S ACTIVITIES AND CASH FLOWS:

A. Proportion of equity interest held by non-controlling interest

Name of the subsidiary	Country of incorporation and operation	31 March 2024	31 March 2023
PathPartner Technology Private Limited (PathPartner)	India	20.00%	20.00%

B. Details of non-controlling interest

Particulars	31 March 2024	31 March 2023
Accumulated balance of non-controlling interest	171.09	117.56

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

C. Summarised balance sheet *(before inter-company eliminations)*

Particulars	31 March 2024	31 March 2023
Non-current assets	273.11	222.81
Cash and cash equivalents	36.09	6.16
Current assets (excluding cash and cash equivalents)	724.65	491.57
Total	**1,033.85**	**720.54**
Non-current liabilities	166.89	128.40
Trade payables	21.03	16.57
Current liabilities (excluding trade payables)	142.03	90.28
Total	**329.95**	**235.25**
Total equity	**703.90**	**485.29**
Attributable to:		
Owners of the Group	551.56	388.23
Non-controlling interest	152.34	97.06

D. Summarised Statement of Profit and Loss *(before inter-company eliminations)*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue	1,167.96	1,032.81
Other income	17.80	88.56
Total income	**1,185.76**	**1,121.37**
Employee benefits expense	753.09	744.16
Finance costs	14.40	2.88
Depreciation and amortization	49.95	46.23
Other expenses	91.18	129.02
Total expenses	**908.62**	**922.29**
Profit before tax	**277.14**	**199.08**
Current tax	75.07	32.62
Deferred tax	(1.21)	21.86
Total tax expense	**73.86**	**54.48**
Profit for the year	**203.28**	**144.60**
Total other comprehensive income/(loss)	14.69	(5.70)
Total comprehensive income for the year	**217.97**	**138.90**
Profit for the year allocated to non-controlling interest	40.66	28.92
Other comprehensive income/(loss) allocated to non-controlling interest	2.94	(1.14)

E. Summarised cash flow information *(before inter-company eliminations)*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from:		
Operating activities	410.50	28.18
Investing activities	(343.48)	(23.14)
Financing activities	(37.09)	(33.08)
Net increase/(decrease) in cash and cash equivalents	**29.93**	**(28.04)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

54 Ministry of Corporate Affairs (MCA), vide General Circular No. 39 / 2014 dated 14 October 2014, has clarified that Schedule III to the Act read with the applicable accounting standards does not envisage that a company while preparing its consolidated financial statements merely repeats the disclosures made by it under standalone accounts being consolidated. Accordingly, in line with para 12.1 of the guidance note on "Division II - IND AS Schedule III to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India, the disclosures related to corporate social responsibility and the disclosures as per the MSMED Act, 2006 are not given in the consolidated financial statements.

55 DISCLOSURE UNDER RULE 11(E) AND 11(F) OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014

FOR THE YEAR ENDED 31 MARCH 2024

S.N.	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	11 April 2023	896.60	Settlement of deferred consideration towards Technica Group.
2	KPIT Technologies GmbH	27 September 2023	440.70	

FOR THE YEAR ENDED 31 MARCH 2023

S.N.	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	4 October 2022	3,233.80	Acquisition of 100% stake in Technica Engineering GmbH

56 ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE COMPANIES ACT 2013

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group (other than as mentioned in note 55) has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

(viii) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

(ix) None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

57 The Holding Company and its subsidiary incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares, except for the instances mentioned below:

(i) In case of the Holding Company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining all books of accounts.

(ii) In case of the Holding Company and its subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled for certain fields and tables at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables, Payroll, Financial reporting, Property, plant and equipments, Purchase and payables.

For the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software there were no instance of the audit trail feature being tampered with. Further, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls (including IT General Controls) were operating effectively as at 31 March 2024 and have no impact on the Financial Statements of the Company.

58 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 2023-2024.

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: 29 April 2024

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN : 00075861

Kishor Patil
CEO & Managing Director
DIN : 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 29 April 2024

NOTICE

NOTICE is hereby given that the 7th Annual General Meeting ("AGM") of KPIT Technologies Limited will be held on Tuesday, August 27, 2024, at 10.30 a.m. through Video Conference (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2024, together with the reports of the Auditors and the Board of Directors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2024, together with the report of the Auditors thereon.

3. To declare final dividend for the financial year ended March 31, 2024.

   [The Board has recommended final dividend at ₹ 4.60/- per equity share of ₹ 10/- each (at 46%) in addition to interim dividend paid at ₹ 2.10/- per equity share of ₹ 10/- each (at 21%)]

4. To appoint a director in place of Mr. Sachin Tikekar (DIN: 02918460) who retires by rotation and being eligible, offers himself for reappointment.

5. To appoint a director in place of Mr. S. B. (Ravi) Pandit (DIN: 00075861) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION**:

   "RESOLVED THAT pursuant to the provisions of Section 149 and Section 152 of the Companies Act, 2013, ("the Act"), Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR, 2015"), and all other applicable provisions of the Act and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and SEBI LODR, 2015, approval and recommendation of the Nomination and Remuneration (HR) Committee, and that of the Board, Mr. S. B. (Ravi) Pandit (DIN: 00075861), who holds office as a Non-executive Director and Chairman of the Board be and is hereby authorized to continue to hold office beyond the age of 75 years as a Non-executive Director and Chairman of the Board, liable to retire by rotation, with effect from March 29, 2025.

   RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

By Order of the Board of Directors
For KPIT Technologies Limited

Nida Deshpande
Company Secretary
Membership No: F6247

Pune
April 29, 2024

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") with respect to the Special Business to be transacted at the 7th Annual General Meeting ("Meeting/AGM") is annexed hereto.

2. The relevant details, pursuant to Regulation 36(3) of SEBI LODR, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment and reappointment at this AGM is annexed.

3. Ministry of Corporate Affairs (MCA), vide General Circular No. 09/2023 dated September 25, 2023 ("MCA circulars") and other Circulars issued from time to time & Securities and Exchange Board of India vide circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and other Circulars issued from time to time ("SEBI circulars") has allowed the Companies to conduct AGM through VC/OAVM on or before September 30, 2024, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI LODR, 2015 and MCA Circulars & SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The transcript of the AGM proceedings will also be made available on the Company's website. The deemed venue for the AGM shall be the Registered Office of the Company.

4. Pursuant to the provisions of the Act and MCA Circulars, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form is not annexed to this Notice.

5. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

6. Pursuant to the provisions of Section 108 of the Act, the Rules made thereunder and Regulation 44 of the SEBI Regulations, the Company is providing a facility to the shareholders to exercise their right to vote by electronic means (e-voting). Instructions for e-voting are attached to this notice.

7. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote during the AGM.

8. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM in-person or through VC / OAVM on its behalf and to vote by show of hands or through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to jbbhave@gmail.com with a copy marked to evoting@nsdl.com. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC.

9. The Company has fixed **Friday, August 09, 2024,** as the **Record Date** for determining entitlement of Members to final dividend for the financial year ended March 31, 2024, if approved at the AGM.

10. The Company has fixed **Tuesday, August 20, 2024,** as the **Cut-off Date** for determining entitlement of Members to vote on the resolutions set forth in above notice for the financial year as on March 31, 2024.

11. The e-voting period commences on **Thursday**, **August 22, 2024, (09:00 a.m. IST) and ends on Monday, August 26, 2024, (05:00 p.m. IST)** both days inclusive. During this period, Members holding shares either in physical or dematerialized form, as on **cut-off date, i.e., as on Tuesday, August 20, 2024,** may cast their votes electronically. The e-voting module will be disabled by National Securities Depository Limited ("NSDL") for voting thereafter.

12. A member will not be allowed to vote again on any resolution on which vote has already been cast and shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to the number of shares held by the Members as on the **cut-off date, i.e., Tuesday, August 20, 2024.**

13. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

14. In light of the MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent by electronic mode to those Members whose email addresses are registered with the depositories. For Members who have not registered their email addresses, we urge them to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited ("KFin") at einward.ris@kfintech.com to receive copies of the Annual Report 2023-24 in electronic mode.

15. In terms of the SEBI LODR, 2015, securities of listed companies can now only be transferred in dematerialized form, so the shareholders are advised to dematerialize shares held by them in physical form.

16. To prevent fraudulent transactions, shareholders are advised to exercise due diligence and notify the Company of any change in address or demise of any shareholder as soon as possible. The shareholders are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

17. Members may also note that the Notice and Annual Report 2023-24 will also be available on the Company's website https://www.kpit.com/investors/#corporate-governance and websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively.

18. Members desirous of obtaining any information concerning the accounts, operations, and business of the Company are requested to address their queries to the Head - Investor Relations at Sunil.Phansalkar@kpit.com or to the secretarial department at grievances@kpit.com so as to reach them at least seven days before the date of the meeting i.e., **Tuesday, August 27, 2024,** to enable the Company to make available the required information at the meeting, to the extent possible.

19. The Securities and Exchange Board of India ("SEBI") has made it mandatory to distribute dividends through electronic channel such as RTGS/NEFT/ NACH. Members holding shares in demat form are requested to notify change in their bank account details, if any, to their DPs immediately and not to send the requests directly to the Company or to its Registrar & Share Transfer Agent. Members holding shares in physical form are requested to intimate change in their Bank account details, if any, to KFin.

20. 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.

21. Members are requested to:

    - quote their Registered Folio number in case of shares in physical form and DP ID and Client ID in case of shares in demat form, in their correspondence(s) to the Company.
    - direct all correspondence related to shares including consolidation of folios, if shareholdings are under multiple folios, to the RTA of the Company.

22. All the shareholders are requested to note that, in terms of the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2020, Dividend paid or distributed by Company on or after April 1, 2020, shall be taxable in the hands of the shareholders. Every Company is required to deduct tax at source ("TDS") on Dividend to be paid to shareholders at the prescribed rate. Therefore, if a dividend is declared, the same will be paid after deducting TDS. Shareholders with PAN and who are not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail benefit of non-deduction of tax at source. The Shareholders can submit their declarations directly to RTA at https://ris.kfintech.com/form15. Forms are available on website of RTA at https://mfs.kfintech.com/mfs/.

23. SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, read with circular dated June 10, 2024, has mandated shareholders holding shares in physical form for updating their PAN, KYC details. The Company has sent communications to shareholders in this regard. The necessary forms can be downloaded from the website of KFin at www.kfintech.com & of the Company at www.kpit.com.

24. SEBI vide Circular no. SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, (updated as on August 04, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same. The aforesaid SEBI Circular can be viewed on the following link: https://www.kpit.com/smart-odr/.

25. The Registrar and Share Transfer Agent ("RTA") of the Company has launched a unified platform "KPRISM" for the benefit of shareholders. KPRISM is a self-service portal that enables the shareholders to access their portfolios serviced by KFin, and check details like dividend status and make requests for annual reports, change of address, update bank mandate, download standard forms, etc. The portal can be accessed at https://kprism.kfintech.com For more assistance on KPRISM, shareholders may contact on 040-67162222.

26. SEBI, vide its circular dated November 03, 2021 read with circular dated June 10, 2024, (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 01, 2024, only upon furnishing the PAN, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link : https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.

27. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the certificate from the secretarial auditors of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM i.e., Tuesday, August 27, 2024. Members seeking to inspect such documents may send an email to grievances@kpit.com.

EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION ON APPOINTMENT / REAPPOINTMENT AT THE ANNUAL GENERAL MEETING.

[As required by Section 102 of the Companies Act, 2013 ("the Act") and pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of accompanying Notice.]

Item No. 4:

Mr. Sachin Tikekar serves as the President, Joint Managing Director at KPIT. Having been part of the founding team, his leadership has played a crucial role in guiding KPIT's global journey over the years. In his current role, Mr. Tikekar is responsible for building and nurturing trusted partnership and relationships with clients and alliances globally. Mr. Tikekar has played a crucial role in formulating the new vision and mission for KPIT, after the demerger. He has led the strategy and blueprint of KPIT's focused client and OEM-centric approach that has delivered KPIT's industry-leading growth over the last few years. This has also propelled the KPIT brand and positioning in all stakeholders – Clients, Talent and Investors.As an executive sponsor, he also oversees KPIT operations across 13 countries and over 28 offices.

Mr. Tikekar has led the Company in various capacities. As the Chief People & Operations Officer, he was responsible for instilling KPIT's culture, enhancing global learning opportunities, and driving innovation in talent acquisition and retention. During his tenure as Chief Operating Officer in the US, Mr. Tikekar played a pivotal role in establishing KPIT's robust presence in the country. His strategic acumen extends to successfully integrating acquired entities within KPIT.

Mr. Tikekar dedicates significant time to emerging markets, with a particular focus on China. His professional interests centre around strategy and growth, aligning with his commitment to driving KPIT's sustainability vision. Collaborating with the world's vehicle manufacturers, Mr. Tikekar's mission is to contribute in making a safer, cleaner, and smarter world.

Mr. Tikekar pursued his master's in strategic management and international finance at Temple University. As an ardent food lover, he dubs himself as Anthony Bourdain 2.0! He is a member of the World Wildlife Federation and pursues his fascination for wildlife and nature through traveling. Prior to joining KPIT, he made significant contributions to the Strategic Positioning Group.

Mr. Tikekar has been appointed as Joint Managing Director from January 16, 2024, for a period of five years subject to retirement by rotation.

Mr. Sachin Tikekar will continue to work as Joint Managing Director with Mr. Kishor Patil, CEO & Managing Director, and share responsibilities to drive growth and other corporate initiatives.

In recognition of his qualification, experience, achievements, and stellar contribution to the growth of the Company, Mr. Sachin Tikekar retires by rotation at this Annual General Meeting in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

Other details of Mr. Sachin Tikekar are given in a tabular format (Annexure A) below, which forms part of this notice.

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.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 4 of the notice for approval of the shareholders.

Item No. 5 & 6:

Mr. S. B. (Ravi) Pandit is the Co-founder, Non-executive Director & Chairman of the Board of the Company. His vision as the co-founder of KPIT has steered the company from its inception to achieving the leadership position the company holds today globally in the domain of automotive engineering. Over the last 30+ years, KPIT, under Mr. Pandit's leadership, has emerged as a premier establishment in mobility.

Mr. Pandit, Chairman of the Board, is one of the highest supervisory roles in organizational structure. He leads the long-term strategy planning, development & implementation and drives its continuous evolution into a future-focused, and employee-centric organization. He has been instrumental in developing a resilient corporate governance framework at KPIT. His leadership and guidance have been pivotal in ensuring that the company's business success is underpinned by the highest standards of transparency and ethics.

His contributions to corporate governance encompass attracting, retaining and engaging top-notch board members, fostering a culture of excellence, and steadfastly upholding ethical standards. These efforts have garnered multiple recognition from our clients, underscoring our commitment to maintaining integrity and excellence in all aspects of our operations.

Mr. Pandit is deeply passionate about social causes with special commitment towards our environment. Under his guidance, KPIT's Corporate Social Responsibility initiatives have in the last 10+ years positively impacted over 2 million lives through 71 initiatives and created opportunities to innovate for over 75,000 students till date. His strong conviction of nurturing scientific thinking at grass root levels, starting from students at the age of 12 to students pursuing post-graduation has led to established programs like 'Chhote Scientists', 'KPIT Sparkle', 'Shodh' and 'KPIT STEM dialogues'.

Mr. Pandit's commitment to environment also resulted in development of solutions for generation of hydrogen from biomass, indigenous development of hydrogen fuel cell and indigenous development of sodium ion batteries. KPIT has won global patents in all these domains for innovative and impactful solutions. He is the only private sector member of the esteemed Empowered Group, the highest decision-making body for National Green Hydrogen Mission. Mr. Pandit works closely with the policy makers to bring out the policies which will help the growth of the cleaner, safer mobility industry.

Mr. Pandit's thoughts for creating a better world are best expressed in his award- winning book "Leap frogging to pole vaulting: Creating the magic of radical yet sustainable transformation" that he has co-authored along with Dr. R. A. Mashelkar. He is a frequent contributor and participant at various national and international conferences. Widely respected for integrity, innovation and dynamism, he has successfully set benchmarks in corporate governance, regional cooperation, and co-innovation.

Mr. Pandit is a gold medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost and Works Accountants of India, and holds a master's degree from Sloan School of Management, MIT, Cambridge, USA. He was Awarded Honorary Doctorate in Technology by Prestigious Coventry University in recognition of his tremendous contribution to global technology and mobility sectors as well as his significant contribution in promoting UK-India business and academic relationships.

Mr. Pandit is a voracious reader, an avid trekker and holds a warm corner in his heart for animals and birds. He has been an avid bird photographer for the last two decades. He also enjoys listening to Indian classical music.

Currently, Mr. S. B. (Ravi) Pandit is shouldering the responsibility as a Non-Executive Director & Chairman of the Board and is attaining the age of 75 years during his current tenure of directorship. Mr. Pandit 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. Therefore, Company proposes to continue to draw on his visionary leadership qualities and towards this end proposes to continue the appointment of Mr. Pandit being eligible as Non-Executive Director beyond March 29, 2025, pursuant to the provision of Regulation 17(1A) SEBI LODR 2015, liable to retire by rotation.

Mr. S. B. (Ravi) Pandit was appointed by shareholders as Non-Executive Director and Chairman of the Board with effect from March 29, 2020, subject to retire by rotation. Accordingly, his reappointment by way of retiring by rotation was placed before the shareholders in the AGM held on August 24, 2022, and will continue to be reappointed by way of retire by rotation by shareholders in compliance with section 152 of the Companies Act, 2013 and Regulation 17(1D) of SEBI LODR 2015.

In view of the above, approval of the Members is being sought by way of Ordinary Resolution mentioned in item No. 5 and Special Resolution mentioned in the Item No. 6 of this Notice for his continuation as a Non-executive Director and Chairman of the Board on attaining age of 75 years.

Mr. S. B. (Ravi) Pandit retires by rotation at this Annual General Meeting in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

Mr. Pandit is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel except his son, Mr. Chinmay Pandit, Whole-Time Director.

Other details of Mr. S. B. (Ravi) Pandit are given in a tabular format (Annexure A) below, which forms part of this notice.

Except Mr. S. B. (Ravi) Pandit or his relatives, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 5 and the Special Resolution set forth as Item No. 6 of the notice for approval of the shareholders.

By Order of the Board of Directors
For KPIT Technologies Limited

Nida Deshpande
Company Secretary
Membership No: F6247

Pune
April 29, 2024

Annexure A

Other details of Directors seeking appointment/reappointment in the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

Name of the Director	Mr. Sachin Tikekar	Mr. S. B. (Ravi) Pandit
Date of Birth/Age	April 03, 1968 / 56 years	March 29, 1950 / 74 Years
Date of First Appointment	January 08, 2018	January 08, 2018
Date of previous reappointment by shareholders	August 29, 2023	August 24, 2022
Qualification	Master's in strategic management and international finance from Temple University	Chartered Accountant, Cost Accountant and a master's degree from Sloan School of Management, MIT, Cambridge, USA
Experience	30 Years	49 Years
Shareholding in the Company	7,41,150 shares	9,89,306 Shares
Shareholding in the Company of the spouse and immediate relatives of the Director	Nil	Nirmala Pandit- 2,39,000 Shares Chinmay Pandit- 38,620 Shares
No. of Board meetings attended during the Financial Year 2023-24	5 out of 5	5 out of 5
Chairman/Member of the Committee of the Board of Directors of the Company	Member of Corporate Social Responsibility Committee	1. Chairman of Enterprise Risk Management Committee 2. Member in Nomination and Remuneration (HR) Committee 3. Member of Corporate Social Responsibility Committee
List of other Directorships held	1. Hypower Mobility Private Limited 2. KPIT Technologies Netherlands B.V. 3. KPIT Technologias Ltda 4. KPIT Technologies Inc. 5. KPIT Technologies Holding Inc. 6. KPIT (Shanghai) Software Technology Co., Ltd. 7. KPIT Technologies GK 8. KPIT Tech (Thailand) Co., Limited	1. Thermax Limited 2. Kirtane Pandit Consulting Private Limited 3. Kirtane Pandit Foundation Private Limited 4. K & P Management Services Private Limited 5. Sentient Labs Private Limited 6. Hypower Mobility Private Limited 7. KP Climate Consulting Private Limited 8. Aga Khan Rural Support Programme (India)

Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a director	Nil	Thermax Limited - Member of Stakeholders Relationship Committee. - Member of Corporate Social Responsibility Committee - Member of Nomination and Remuneration Committee.
Remuneration proposed to be paid	As approved by the shareholders in the Annual General Meeting held on August 29, 2023.	As approved by the shareholders in the Annual General Meeting held on August 25, 2021.
Terms and Conditions of Reappointment		
Relationship with other Directors or Key Managerial Personnel of the Company	Nil	Mr. S. B. (Ravi) Pandit is a relative of Mr. Chinmay Pandit, Whole-Time Director.
Details of last drawn remuneration	Given in the Corporate Governance report of this Annual report.	Given in the Corporate Governance report of this Annual report.

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE ANNUAL GENERAL MEETING (AGM) THROUGH VIDEO CONFERENCE/ OTHER AUDIO-VISUAL MEANS (VC/ OAVM) FACILITY AND VOTING THROUGH ELECTRONIC MEANS

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard-2 on General Meetings issued by ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and read with MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL. The Members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration (HR) Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. In line with the Circulars issued by Ministry of Corporate Affairs (MCA), the Notice calling the AGM has been uploaded on the website of the Company at www.kpit.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER: -

The remote e-voting period begins on **Thursday, August 22, 2024, (09:00 a.m. IST) and ends on Monday, August 26, 2024 (5:00 p.m. IST)** both days inclusive. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e., **Tuesday, August 20, 2024,** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Tuesday, August 20, 2024.**

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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see the e-Voting page. Click on Company name or **e-Voting service provider i.e., NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for **IDeAS** e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under **'Shareholder/Member'** section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile Appis available on** Download on the App Store  GET IT ON Google Play 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. By clicking the evoting option, the user will be able to see the e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e., IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system. How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. The Board has appointed Mr. Jayavant Bhave, Proprietor J. B. Bhave & Co., Practicing Company Secretaries (Membership No- F4266), as scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
2. The Chairman will, at the end of discussion on resolutions on which voting is to be held, allow e-Voting for all these members who are present at AGM and who have not cast their votes by availing the remote e-Voting facility.
3. The scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter, unblock the votes cast through remote e-Voting and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried out or not, and such report shall be sent to the Chairman or person authorized by him, within two working days (not exceeding 3 days) from the conclusion of the AGM, who shall then countersign and declare the result of voting forthwith.
4. 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.com. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
5. Only bonafide shareholders of the Company whose names appear on the register of shareholders, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-shareholders from attending the meeting.
6. Shareholders whose names appear in the Register of Shareholders/ list of Beneficial Owners as on **Tuesday, August 20, 2024, being the cut-off date**, are entitled to vote on the Resolutions set forth in this Notice.
7. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e., **Tuesday, August 20, 2024,** may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the **cut-off date i.e., Tuesday, August 20, 2024,** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
8. In the case of Holders attending the AGM, only such Joint Holder who is named first in the order of names will be entitled to vote. A person who is not a shareholder as on the cutoff date should treat this Notice for information purposes only. Once the vote on a Resolution(s) is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.
9. 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.
10. In case of any queries/grievances pertaining to remote e-Voting (before/during the AGM), 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 at 022 - 4886 7000 or send a request to at evoting@nsdl.com or contact Mr. Amit Vishal or Ms. Pallavi Mhatre from NSDL at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to evoting@nsdl.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING DURING AGM ARE AS UNDER: -

1. The procedure for e-Voting during AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "**VC/OAVM**" placed under **"Join meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use the Internet at a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by following steps mentioned in the Notice of the AGM under "Step 1: Access to NSDL e-voting system" as mentioned above, between Saturday, August 24, 2024, (09:00 a.m. IST) and ends on Sunday, August 25, 2024 (05:00 p.m. IST). After successful login, members will be able to register themselves as a speaker Shareholder by clicking on the link available against the EVEN of the Company. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

KPIT Technologies Limited

CIN: L74999PN2018PLC174192
Registered & Corporate Office: Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune – 411057, India.
Phone: +91 20 6770 6000 | E-mail: grievances@kpit.com | Website: www.kpit.com.

Dear Shareholder,

A) GREEN INITIATIVE IN CORPORATE GOVERNANCE - SHAREHOLDERS' CONSENT TO RECEIVE COMMUNICATION IN ELECTRONIC FORM:

The MCA vide Section 20 of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014, allow companies to serve documents through electronic mode thus encouraging the green initiative. We propose to send communications and documents like Annual Reports, Notices, Quarterly Results updates etc. via electronic mode, to all shareholders. In order to facilitate electronic communication with you, we request you to register your e-mail address with your depository participant (the agency with whom your demat account is maintained) or with our Registrar and Share Transfer Agent, **KFin Technologies Limited** ('RTA') at: einward.ris@kfintech.com. Alternatively, you may register your e-mail address with the Company by writing an email to grievances@kpit.com with the subject line - 'Green Initiative'. **If you have already registered your e-mail address, you are not required to re-register the same unless there is a change in your e-mail address.**

We believe that by subscribing to this green initiative, you would be contributing towards the protection of the environment. We request your concurrence to enable us to e-mail all communications and documents like Annual Reports, Notices, Quarterly Results updates etc. to you.

B) TAX DEDUCTED AT SOURCE ON DIVIDEND:

Please be informed that, in terms of the provisions of the Income-tax Act, 1961, ("the Act") as amended by the Finance Act, 2020, Dividend paid or distributed by every Company on or after April 01, 2020, shall be taxable in the hands of the shareholders. Every Company is required to deduct tax at source ("TDS") on Dividend to be paid to shareholders at the prescribed rate. Therefore, if a dividend is declared, the same will be paid after deducting TDS. The Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. The Shareholders can submit their declarations directly to RTA. Please note that requisite documents, as applicable, should only be uploaded on the portal of KFin Technologies Limited ("RTA"). Documents submitted by any other mode shall not be accepted and considered for the purpose of calculation of withholding taxes. The Company will not in any circumstances make any revision in taxes withheld due to non-submission of documents in prescribed manner. The relevant forms are available on website of RTA at https://mfs.kfintech.com/mfs/quicklinks.html and website of the Company at https://www.kpit.com/.

In the event of tax on dividend is deducted at a higher rate in the absence of receipt of the details/ documents, shareholders would still have the option of claiming refund of the excess tax paid at the time of filing income tax return. No claim shall lie against the Company for such taxes deducted.

C) FURNISHING OF PAN, KYC DETAILS AND BANK ACCOUNT DETAILS BY HOLDERS OF PHYSICAL SECURITIES OF THE COMPANY:

SEBI's Master Circular for Registrars to an Issue and Share Transfer Agents (Master Circular) dated May 07, 2024, read with Circular dated September 26, 2023, & November 17, 2023, December 27, 2023, June 10, 2024 ["SEBI Circulars"] have mandated,

- to furnish the self-attested copy of PAN (also linked with Aadhar number), email address, mobile number, bank account details, and updation of Specimen signature by holders of physical securities.

- that any service request and complaint shall be entertained only upon registration of the PAN and KYC details by holders of physical securities.

We are entreating all the physical shareholders to convert their shareholding into Dematerialized mode.

The forms can be downloaded from the website of the Company and RTA at https://www.kpit.com/investors/disclosures-as-per-regulation-46-of-sebi-lodr-2015/ and http://ris.kfintech.com/faq.html

D) GENERAL INFORMATION TO MEMBERS FOR KYC UPDATION:

SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024, upon their furnishing all the aforesaid details in entirety.

1. In case of non-updation of PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend shall be paid only through electronic mode with effect from April 01, 2024, upon furnishing all the aforesaid details to RTA in entirety.

2. If a security holder updates the PAN, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after April 01, 2024, then the security holder would be eligible to receive all the dividends declared during that period (from April 01, 2024, till date of updation) pertaining to the securities held after the said updation.

Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness:

https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

ACTION REQUIRED FROM SHAREHOLDER:

You are requested to submit the following to update the records immediately.

Sr. No.	Particulars	Please furnish details in
1	PAN (self-attested copy)	Form No. ISR-1
2	Address	
3	Email address	
4	Mobile Number	
5	Demat account details	
6	Bank account details	
7	Updation of Specimen Signature	
8	Nomination details	Form No. SH-13
9	Declaration to opt out	In case of opting out, please submit Form ISR-3

The aforesaid forms can be downloaded from the website of the Company and RTA at https://www.kpit.com/investors/disclosures-as-per-regulation-46-of-sebi-lodr-2015/ and http://ris.kfintech.com/faq.html.

In case you have any queries or need any assistance, please contact **KFin Technologies Limited** at: einward.ris@kfintech.com (in case of physical holding) or to the depositories (in case of dematerialized holding).

Thanking you,

For KPIT Technologies Limited

Nida Deshpande
Company Secretary

BOARD OF DIRECTORS

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

Kishor Patil
CEO & Managing Director

Sachin Tikekar
President & Joint Managing Director

Anup Sable
Whole-time Director

Chinmay Pandit
Whole-time Director

Anant Talaulicar
Independent Director

B V R Subbu
Independent Director

Prof. Alberto Sangiovanni Vincentelli
Independent Director

Bhavna Doshi
Independent Director

Prof. Rajiv Lal
Independent Director

Srinath Batni
Independent Director
(w.e.f. July 25, 2023)

Dr. Nickhil Jakatdar
Independent Director
(upto January 15, 2024)

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

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

Legal Advisors
Khaitan & Co.
One Indiabulls Centre,
10th & 13th Floor, Tower 1,
841 Senapati Bapat Marg,
Mumbai – 400 013.
India.

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

CORPORATE LEADERSHIP TEAM

S. B. (Ravi) Pandit	-	Chairman of the Board
Kishor Patil	-	CEO & Managing Director
Sachin Tikekar	-	President & Joint Managing Director
Anup Sable	-	CTO & Whole-time Director
Chinmay Pandit	-	Whole-time Director, Head of Geography (Americas) & CRO
Priyamvada Hardikar	-	Chief Financial Officer & Member of Executive Board
Pankaj Sathe	-	President & Member of Executive Board
Rajesh Janwadkar	-	President (Global Head, Delivery and Operation) & Member of Executive Board
Dr. Gabriel Seiberth	-	President & Geography Head-Europe & Member of Executive Board
Rohan Sohoni	-	Executive Vice President & Geography Head - Asia & Member of Executive Board
Pushpahas Joshi	-	Executive Vice President (Connected Solutions & Services) & Member of Executive Board

Notes

KPIT Technologies Limited

Corporate Office

Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ,
Phase- III, Maan, Taluka-Mulshi, Hinjawadi, Pune- 411057.

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