July 10, 2025

**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: -** 8th Annual Report of the Company for FY 2024-25.

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 8th Annual Report of the Company i.e., KPIT Technologies Limited for FY 2024-25. 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**
ASHISH MALHOTRA
Digitally signed by ASHISH MALHOTRA
Date: 2025.07.10 17:32:09 +05'30'

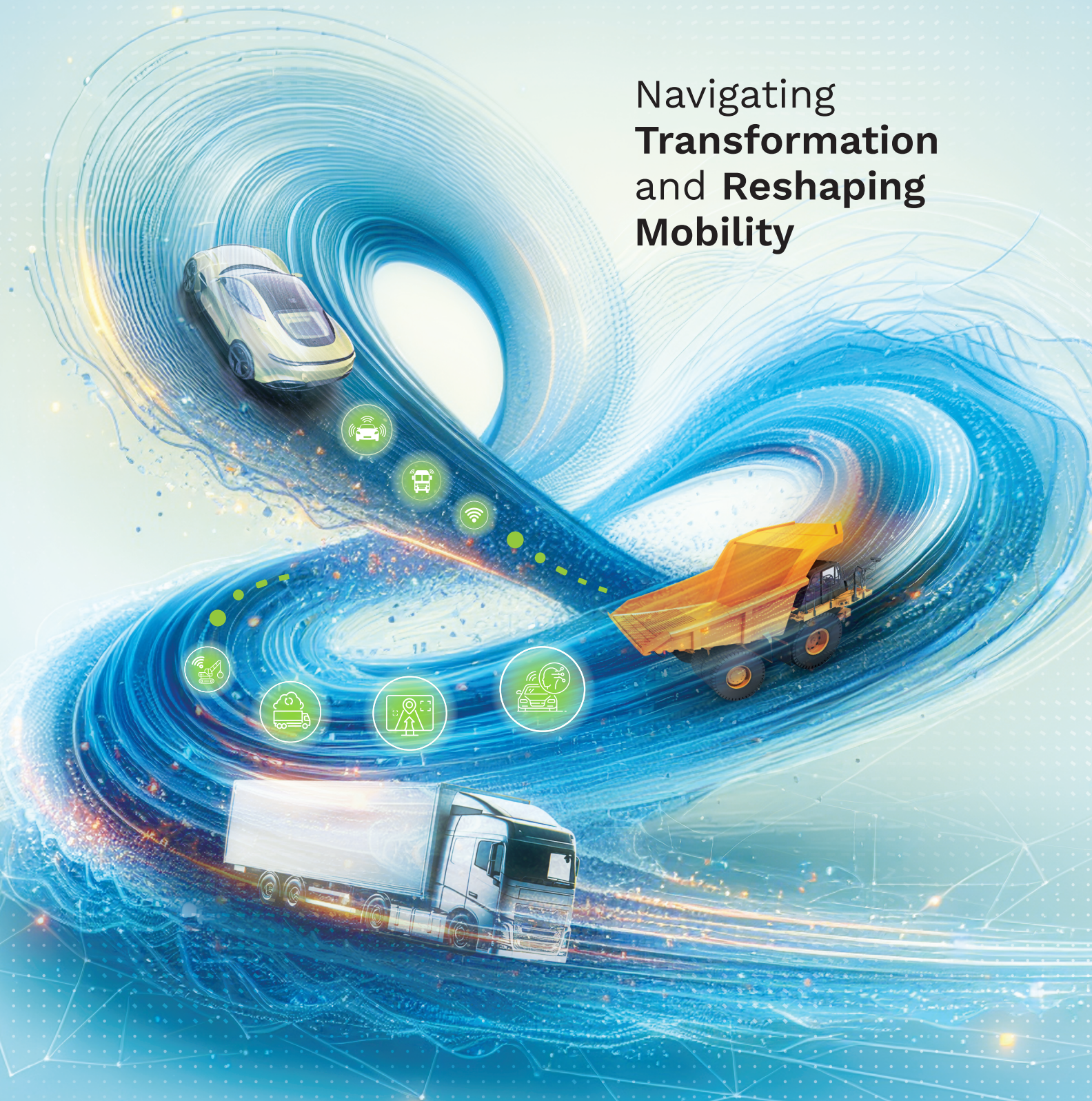
Ashish Malhotra
**General Counsel & Company Secretary**

**Encl:** as above

Annual report **2024-2025**

KPIT

# Navigating **Transformation** and **Reshaping Mobility**



# 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

**Vijay Gokhale**
Independent Director
(w.e.f. October 23, 2024)

**Ramesh Raskar**
Independent Director
(w.e.f. January 29, 2025)

**Nishant Batra**
Independent Director
(w.e.f. January 29, 2025)

**Priyamvada Hardikar**
Chief Financial Officer

**Ashish Malhotra**
General Counsel & Company Secretary (w.e.f. April 28, 2025)

**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
- 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 & Geography Head-Europe & Member of Executive Board

**Rajesh Janwadkar**
President (Global Head, Delivery and Operation) &
Member of Executive Board

**Pushpahas Joshi**
Executive Vice President
(Connected Solutions & Services)
& Member of Executive Board

**Rohan Sohoni**
Executive Vice President &
Geography Head (Asia) &
Member of Executive Board

**Rajesh Kumar Singh**
Senior Vice President
& Global Head - HR

**Mohit Kochar**
Senior Vice President
& Global Head - Marketing

**Joseba Rodriquez**
CEO – Technica Engineering



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**For more information about the Company, visit:** www.kpit.com or scan the QR code

**8th Annual General Meeting**
Tuesday, August 12, 2025 10.30 a.m.

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

**Cut-off date:**
Tuesday, August 5, 2025

**Remote e-Voting Period:**
- From Thursday, August 7, 2025 at 9.00 a.m. (IST) to Monday, August 11, 2025 at 5.00 p.m. (IST)
- During AGM

To attend the 8th Annual General Meeting (AGM) via video conferencing and to e-vote, the Members are requested to follow the instructions provided in the Notice.

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

# NAVIGATING HEADWINDS WITH INNOVATION, EXCELLENCE AND RESILIENCE



The Mobility industry – Passenger Cars, Trucks and Off-Highway Vehicles - is undergoing significant transformation, driven by shifting political and economic influences, competition, evolving customer needs, emergence of new technologies, and the rising power of markets like China. Amidst these uncertainties, KPIT remains steadfast in its commitment to its vision of **Reimagining Mobility with *YOU* for a Cleaner, Smarter, and Safer world.**

Our Company stays focused on the vision with resilience and a solution-oriented approach, rooted in technology expertise, innovation and customer-centricity, in order to deliver value to clients as they navigate new market realities. Backed by a strong foundation and drive for excellence, KPIT is determined to thrive in this dynamic environment, capitalizing on opportunities and overcoming challenges with unwavering commitment.

# From the Chairman's Desk

Dear Shareholders,

It is my pleasure to share my thoughts with you through this annual letter.

I would like to use this occasion to take a quick look at the current scenario, have a brief peep into the future and to outline the role that we see for us in these times.

The global Mobility industry is in the process of a once-in-a-century kind of transformation. While until recently, the transformation was related to new-age technologies driving the vehicles and consequently related to changes in business models, now the transformation is also driven by an increasingly complex landscape marked by geopolitical instability and disruptions from China. The map of the industry is being redrawn.

In these defining moments, KPIT's vision of *Reimagining Mobility with You for Creation of a Cleaner, Smarter, and Safer world* shines as our compass. It empowers us to guide the industry through these turbulent times.

## Performance in the Year that Went by

Your company navigated through the year and delivered a solid performance, underscored by trusted client partnerships and deliberate investments in technology.

While many major Engineering Research & Development (ER&D) players experienced no or lower single-digit growth this year, KPIT achieved 18.7% CC year-on-year growth, bringing our revenue to USD 691 Mn. Our EBITDA stood at INR 12,297.8 Mn, with a margin of 21.0%, and net profit rose to INR 8,396.0 Mn—a 41.2% year-on-year increase.



The global mobility industry is in the process of a once-in-a-century kind of transformation.

**While the passenger vehicle segment remains our core, this year we expanded into commercial vehicles and off-highway segments.**

I am happy to share that as of Q4 FY25, we recorded 19 consecutive quarters of steady revenue and EBITDA growth.

Behind these numbers lies the story of resilience and passion. I believe it's important to acknowledge not only the challenges we faced but also the levers that contributed to this performance, and the foundation they lay for KPIT's future. Let me share some key contributors to our growth.

## Drivers of Growth

In an earlier annual letter, I spoke to you about the transformation toward Software-Defined Vehicles (SDVs)—a shift that will define the future of mobility. This transformation was not just a trend but a long-term evolution that KPIT began preparing for well ahead. Today, we are proud to be part of 9 global SDV programs, driving innovation, integration, and efficiencies for leading OEMs.

One of the highlights of this year was our collaboration with **Mercedes-Benz Research and Development India (MBRDI) for Mercedes Benz,** where we are accelerating their journey toward SDVs. This partnership is a reflection of the acceptance of our matured offerings and our growing role as a strategic partner in mobility transformation.

Much has been written about Artificial Intelligence (AI) in the last year. AI was not just a buzzword for us, but we are using AI as a Force Multiplier, to deliver the best quality software and as a Value Creator, to produce differentiated offerings. We continue to invest in critical areas such as middleware, in-vehicle networks, cost reduction through benchmarking, cybersecurity, and end-to-end validation platforms. One of the most heartening developments within KPIT this year has been seeing how our employees have embraced AI. We've created a core **AI Office** to assist our teams in leveraging this transformative technology—not as a disruptor but as a collaborator. Through multiple initiatives, we've integrated AI into all levels of the organization to boost overall productivity. It has been inspiring to witness how AI is empowering us to deliver better solutions to our clients.

While the passenger vehicle segment remains our core, this year we expanded into the Truck and Off-Highway segments. Gone are the days when buses, trucks, tractors, and similar vehicles were expected to perform only heavy-duty mechanical work. We are working on making these vehicles and equipment cleaner, smarter, and safer by embedding technology into every aspect of them. With several new engagements already underway, we are building a strong foundation for long-term growth in these domains.

Strategic partnerships have always been a cornerstone of KPIT's growth, and this year was no different. A key highlight was Qualcomm, a leading global semiconductor company joining **Qorix,** the joint venture between KPIT and ZF, as a strategic shareholder. Together, we aim to deliver a scalable middleware platform that addresses OEMs' growing need for managing software complexity globally.

Sustainability also continues to be central to our work. This year, we partnered with **Trentar Energy Solutions** to operationalize, commercialize, and extend our breakthrough **Sodium-Ion Battery Technology** into mobility and energy storage applications. Additionally, our partnership with **EKA Mobility** involved the development and integration of cutting-edge electric powertrain components for cleaner and more sustainable electric commercial vehicles (e-CVs).

FY2025 has been a year of notable accolades, and several individual recognitions reinforced the excellence of KPIT's leadership. **Mr. Kishor Patil,** our Co-Founder, CEO and MD, was recognized with the **Tech Titan Award** by Business Today for his visionary leadership, guiding KPIT's transformation into a global automotive and mobility software leader. **Ms. Priya Hardikar,** our CFO, received the prestigious **CFO of the Year award,** highlighting KPIT's strategic financial performance over the years. KPIT's financial practices received the **Silver Shield for Excellence in Financial Reporting** from ICAI, further bolstering our reputation for transparency and compliance.

KPIT's architectural prowess was also celebrated with the **Economic Times Design Scape Award** for our Aikyam auditorium project. These awards inspire us to continue challenging conventions and propel forward with confidence.

Our collaborations and contributions to innovation were equally honored. KPIT earned the **Digital Genius Award** in the Data Center category at the CIO Crown Awards and the **Data Management Platform of the Year award** at the AutoTech Breakthrough Awards, highlighting our leadership in advancing digital infrastructure and data solutions. We were recognized by **Reuters Automotive D.R.I.V.E 2024** for innovation, including the award for our breakthrough **Sodium-Ion Battery Technology.** KPIT also received multiple partnership awards, such as the **Excellent Partner Award** from Panasonic ITS.

We prioritize talent and innovation as two crucial elements of our growth. We continue to make investments in workforce development with a focus on skills for the future of mobility: embedded software, system engineering, cybersecurity, and AI.

## Sustainability: A New Journey with EcoVoyage2030

As we navigate the future of mobility, we recognize that the industry's impact on the planet is a profound responsibility. The mobility industry is a significant contributor to climate change, and as a key player, we are dedicated to making a positive impact through our initiatives.

In FY25, we launched **'EcoVoyage2030'** – a commitment to achieve Net Zero carbon footprint by 2030, powered by Science Backed Targets Initiative (SBTi). A detailed section on the imperatives of EcoVoyage2030, and our progress in the year is covered in this report.

It has been truly inspiring to see 13,000+ employees embracing this mission through wholehearted participation in initiatives ranging from new technology solutions and energy-saving innovations to local conservation activities.

## A Turning Point for Mobility

The industry is in a state of flux. There are pressures from both consumers as well as the competition. Today's consumers expect vehicles that are rich in features, highly personalized, and designed to reduce not just the upfront cost but the total lifetime cost of ownership. At the same time, traditional OEMs from the Western world and Japan are facing increasing competition from agile Chinese OEMs, who are redefining industry benchmarks with their speed, efficiency, and customer-centric innovations. These factors place considerable demands on our clients as they work to stay competitive in a rapidly changing landscape.

The way vehicles are being conceptualized, developed, and delivered is shifting fundamentally. Established OEMs are rethinking their strategies, accelerating efforts to rationalize platforms and improve R&D efficiency. They are pushing hard to innovate faster and rework legacy product portfolios to address changing market dynamics. The traditional model of long development cycles and vast product portfolios no longer aligns with today's demands for agility, resource optimization, and faster time-to-market.




## Our Role as a Trusted Partner and the Road Ahead

At KPIT, we deeply value the trust of our clients as we work collaboratively to address their needs for speed, quality, and cost efficiencies. These are not just goals but commitments we deliver through continuous innovation.

We will double down on deepening our offerings to become more relevant for our clients. We will continue to increase the depth and breadth of our relationship with our clients so as to increase our wallet share from our clients' engineering spend. We will expand beyond Passenger cars develop solutions for Truck and Off-Highway segment and assess areas beyond mobility where our expertise can be used. These domains present an exciting opportunity for our growth over the years to come. We shall expand our presence in new markets such as China by building local teams and partnerships to serve the domestic market and help global Mobility Original Equipment Manufacturers (OEMs) leverage Chinese insights around cost, speed, and innovation. We will continue to improve our delivery not only through platforms, tools and accelerators that embed our expertise built over the decades, but will also strengthen it through the usage of new technologies, such as artificial intelligence.

I would like to end my letter by thanking our shareholders, clients, partners, and employees for their unwavering trust and support. It is your belief in us that motivates our team to strive for excellence in everything we do.

As we move forward, I am confident that together we will continue to make a lasting impact on the future of mobility.

I wish you all a healthy and prosperous FY 2026.

Warm regards,

**Ravi Pandit**
Chairman
KPIT Technologies

# Message from the CEO & MD and President & Joint MD

Dear Shareholders,

The last year was marked by global disruptions, ranging from trade barriers to geopolitical tensions, affecting industries worldwide. The Mobility industry, too, faced these global shocks alongside pressures from Chinese competition, policy roadblocks, and demand slowdown. Leading Mobility Original Equipment Manufacturers (OEMs) reported a notable drop in profitability, leading to reduced budget allocations.

In the face of these headwinds, your company demonstrated resilience and consistency with industry-leading performance. We reported USD 691 Mn in revenues for FY2024-25, achieving a robust 18.7% constant currency growth over the prior period. Our profitability remained strong, with EBITDA increasing by 24% over last year and net profit rising by 41.2%. Margin expansion continued during FY25, driven by operational efficiencies and well-structured governance. We also improved cash conversion significantly and closed FY25 with a net cash balance of ₹15,850 Million.

Going forward, we are observing shifts in industry priorities that reflect a broader transformation—one that demands agility, innovation, and a renewed focus on delivering value at speed and scale. At KPIT, we remain sharply aligned to our mission of being a leading software and systems integration partner to the global Mobility industry. Our five mission imperatives guide us in building trusted partnerships, delivering innovative technology solutions, and fostering talent to support our clients' transformation agendas and drive added value.



Your company demonstrated resilience and consistency with industry-leading performance. We reported USD 691 Mn in revenues for FY2024-25, achieving a robust 18.7% constant currency growth over the prior period.



## Building and Integrating Innovative Solutions Through Practices

At KPIT, we are committed to helping Mobility OEMs innovate continuously, reduce costs, and accelerate their programs. Last year, we enhanced our offerings across practices such as Propulsion, Connected Vehicles, Autonomous Driving and Middleware. Each of our practice areas is powered by unique **Platforms, Tools, and Accelerators (PTAs)** that help OEMs achieve these objectives.

As OEMs navigate the multi-powertrain era, KPIT supports them with solutions across **Electric, Hybrid, and Conventional powertrains.** We continue to advance **Autonomous Driving** by developing targeted solutions for Navigate on Autopilot (NOA), enabling safer and more efficient driving experiences. To help OEMs reduce cost of quality and meet stringent timelines, we introduced a comprehensive Validation offering that supports **End-to-End Validation**—from component to fleet testing—leveraging automation, AI, and a unified test infrastructure.

This year, we established a dedicated **Semiconductor** practice to collaborate with leading semiconductor companies and co-develop integrated SoC-based solutions for OEMs, bridging the gap between hardware and middleware.

To broaden and deliver solutions across the entire vehicle lifecycle, we reached a strategic understanding to acquire Caresoft Global's Engineering Solutions Business. This will strengthen our **Vehicle Engineering and Design** practice, enabling us to deliver more comprehensive, cost-optimized solutions. It also opens access to valuable insights from Chinese OEMs, helping us create greater value for our clients globally through substantial cost reduction and cost efficiency.

On the off-board front, we are helping OEMs unlock real-time insights and predictive capabilities through a robust off-board data platform, powered by **AI-driven diagnostics** and integrated cloud-edge architecture. Through our Integrated Diagnostics & Aftersales Transformation practice, these solutions help reduce equipment downtime by up to 15% while supporting scalable, data-driven decision-making across the vehicle lifecycle.

**Going forward, we are observing shifts in industry priorities that reflect a broader transformation—one that demands agility, innovation, and a renewed focus on delivering value at speed and scale.**



Our AI Office adopted a 2-pronged approach to **utilizing AI for innovation and growth.** We are applying AI as a force-multiplier to reduce development timelines and improve quality, and as a value-creator to create differentiated offerings in our practices. At the core of this effort is our AI platform, which integrates data sources into a custom-built AI framework. This framework includes advanced AI tools, agents, and a robust learning layer. Through this, we are developing **mobility-focused domain models** and **contextual agentic solutions,** designed to optimize speed, quality, and total cost of ownership. Pilots conducted in these areas have shown promising results.

## Building Trusted Partnerships

Under our T25 strategy, we focus on fostering deep, long-term relationships with a select group of Mobility OEMs. With our existing clients, we are committed to driving deeper engagements and expanding the breadth of our collaborations to deliver enhanced value.

We continue to **strengthen our presence among Passenger Car OEMs** and are actively expanding our T25 portfolio across key markets in the Americas, Europe, and Asia. In parallel, our focused investments in the **Trucks and Off-highway subsegments** are yielding early success, with meaningful new engagements initiated with 5 leading players in these verticals.

We established the **Strategic Client Solutions Unit** to enable new strategic partnerships by deeply understanding client challenges and curating tailored solutions. By aligning KPIT's capabilities with OEM priorities and delivering end-to-end solutions, the unit ensures speed, scale, and enhanced value delivery.

To stay closer to our clients and better understand regional priorities, **we expanded our footprint in Sweden and China.** In China, our focus remains on learning from the fast-paced and cost-efficient mobility ecosystem to support global OEMs and build tailored solutions for Chinese OEMs. In Sweden, we aim to accelerate collaboration with leading OEMs in Sweden and contribute to their technology and sustainability goals, leveraging the region's strong emphasis on innovation and green transition.

We also **deepened our client partnerships** through curated Technology Days hosted at the locations of leading American, European and Asian OEMs. These engagements have helped us gain sharper insights into their core challenges and showcase KPIT's cutting-edge technology solutions aligned to their strategic roadmaps.

## Being the Best Place to Grow

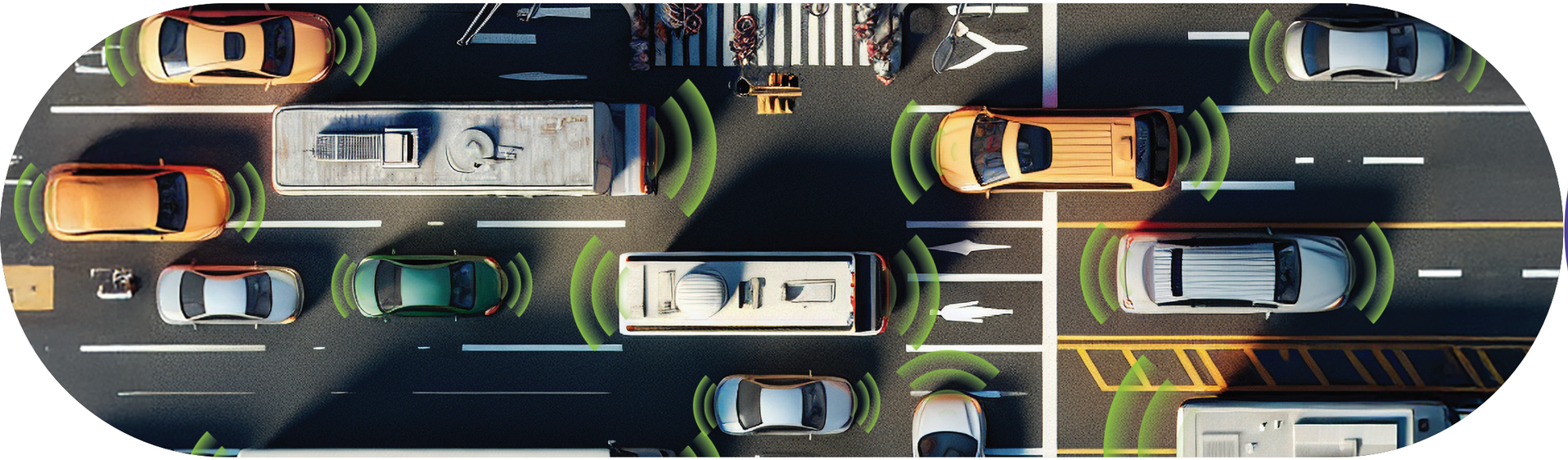
At KPIT, we recognize that staying ahead of the curve requires not only technological excellence but also a commitment to continuous learning across the organization. To this end, we invested in and institutionalized multiple learning programs that empower our people stay future-ready and solve challenges with agility.

Our learning ecosystem for entry-level and mid-career professionals includes curated programs like **NOVA,** and access to certification courses via Coursera and KPIT Academy. Right from the onboarding process, new employees are encouraged to opt for learning and induction programs that align with a Culture of Excellence.

For mid and senior-level managers, the **MPOWER** program is an intensive initiative designed to strengthen the capabilities of managerial talent and prepare them for future leadership roles.

Lastly, we launched our flagship leadership development program, **MAESTROS,** in collaboration with renowned international universities, with a goal to take senior leaders to the next level through immersive experiences and live learning.

We are embracing the potential of AI through targeted training and enablement, equipping our teams to work smarter, faster, and more effectively. We kickstarted the company's AI learning journey through integrated learning paths curated by the AI Academy. Earlier in



Our AI Office adopted a 2-pronged approach to utilizing AI for innovation and growth. We are applying AI as a force-multiplier to reduce development timelines and improve quality, and as a value-creator to create differentiated offerings in our practices.

the year, we launched an internal Gen AI powered chat platform - KGPT that offers functionality similar to leading LLMs. This is a widely adopted platform, with more than 60% KPIT employees adopting it for personal, functional and engineering productivity.

Our growing investments in learning, leadership development and AI enablement have significantly contributed to shaping a highly engaged, empowered and proactive workforce. Our FY2024 employee satisfaction score (ESAT) evaluation highlighted a strong score of 4.3, reflecting consistent performance over the past three years. These efforts, combined with our employee-centric approach, have contributed to a single-digit attrition rate – one of the lowest in the industry.

## Achieving Zero Defect Delivery and Excellence

With the dynamic needs of our industry, our delivery teams are the backbone of our success. At KPIT, solution-driven thinking and commitment to excellence are at the front and center of our approach. This year, we advanced our pursuit of Zero Defect Delivery by enhancing our comprehensive quality framework centered on the pillars of People, Process, and Technology. This framework aligns with our vision to be future-ready, agile, and proactive in adapting to the evolving needs of our clients.

Leveraging AI-powered automation, we designed and deployed cutting-edge solutions across various stages of the engineering lifecycle. Few solutions have been designed, piloted and deployed across projects with a few more in the pipeline. Adoption of AI-centric process automation approach enabled key enhancements in our project tracking systems, competency management platforms, and customer satisfaction tools, ensuring efficient project execution and data-driven decision-making.

With a larger roster of ongoing programs and increased complexity of new programs, our steadfast commitment to zero defect delivery and excellence have helped us improve speed, quality, reliability and value delivery for our clients. With a focus on delivering not just excellence, but also delight at every touchpoint, we exceeded customer satisfaction targets with a CSAT score of 4.48 in FY2025, up from CSAT score in FY24. We also recorded a positive downward trend in high-risk programs, reflecting improved execution and defect prevention.

## Focusing on Sustainability in all Aspects of Our Business

While near-team priorities evolve, the commitment to our long-term vision of Reimagining Mobility for a Cleaner, Smarter, Safer World holds crucial importance in our journey towards future success.

Our flagship initiative, **EcoVoyage 2030,** charts the path towards achieving Net-Zero by 2030. The program is based on Science-Based Target Initiatives (SBTi), and covers various aspects of the business. We developed a mascot – **Voya,** a red panda – to accompany our employees in their sustainability journey, creating a sense of emotional connect and memorability.

Through curated communication and employee engagement initiatives, we aim to deliver critical sustainability messages and drive a sense of empathy and action.

- **Building Sustainable Solutions:** In alignment with the charter laid out for EcoVoyage 2030, each of our practices are on track to develop and validate a sustainability-focused offering.
- **Encouraging Sustainability Internally:** We encourage adoption of sustainable practices by employees at work and in their personal lives. 15,000+ employee-driven actions were recorded as part of our CSR initiatives in the year, including actions like utilizing solar power, waste composting, and carpooling.
- **Sustainability Initiatives with Clients:** During the year, we collaborated with two leading clients, Cummins and Honda, to initiate impactful actions aligned with our shared sustainability goals. A successful example was a mega-drive to collect 100+ tons of e-waste and 40+ tons of plastic across the city with Cummins.

Our CSR initiatives since the time of program inception resulted in 4100+ trees and sapling plantations, saving 200,000+ liters of water every month, collection of clothes, e-waste and plastic through a recycling center in Pune, India. KPIT also achieved the ISO 14001:2015 and ISO 45001:2018 certifications aligned to control Scope 1 and Scope 2 emissions.



## The Road Ahead

The year ahead will continue to pose significant challenges for the mobility industry. Geopolitical uncertainties, economic headwinds, and rapid technological shifts are reshaping the landscape, putting further pressure on OEMs to rethink their strategies, optimize costs, and accelerate innovation.

At KPIT, we remain steadfast in our commitment to leading our clients through this transition. We will continue to invest in our practices, domains, and solutions that deliver measurable value—helping OEMs reduce costs, shorten time-to-market, and address regulatory and technological complexities. Equally, we are deepening our investments in talent development, mobility-specific AI solutions and automation, ensuring our teams are future-ready and equipped to co-create next-generation mobility solutions.

We are actively broadening our T25 base, forging new relationships with passenger car OEMs, and expanding our presence in the Truck and Off-Highway segments. During this year, we will continue to explore adjacent opportunities within Mobility, including Defense and Locomotives, to further diversify and strengthen our portfolio.

These focused efforts give us strong conviction that we will continue to unlock significant value for our clients across segments in the mid and long-term and deliver industry-leading growth—anchored in innovation, execution excellence, and trusted partnerships.

We extend our heartfelt gratitude to our clients for continuing to entrust us with their key vehicle programs. To our employees - thank you for your unwavering commitment, hard work, and passion that powers our progress every day. And to our shareholders - we deeply appreciate your continued belief in our vision and journey.

Best Regards,

**Kishor Patil**
CEO & MD

**Sachin Tikekar**
President and Joint MD



At KPIT, we remain steadfast in our commitment to leading our clients through the transition. We will continue to invest in our practices, domains, and solutions that deliver measurable value—helping OEMs reduce costs, shorten time-to-market, and address regulatory and technological complexities.

## Committees of the Board

| | | |
|---|---|---|
| **Audit Committee** | **Ms. Bhavna Doshi** | Chairperson of the Committee and Independent Director |
| | **Mr. Anant Talaulicar** | Independent Director |
| | **Mr. B V R Subbu** | Independent Director |
| **Nomination and Remuneration (HR) Committee** | **Mr. Anant Talaulicar** | Chairman of the Committee and Independent Director |
| | **Mr. S. B. (Ravi) Pandit** | Independent Director |
| | **Prof. Alberto Sangiovanni Vincentelli** | Independent Director |
| | **Prof. Rajiv Lal** | Independent Director |
| | **Mr. Srinath Batni** | Independent Director |
| | **Mr. Vijay Gokhale (w.e.f February 28, 2025)** | Independent Director |
| **Stakeholder Relationship Committee** | **Mr. B V R Subbu** | Chairman of the Committee and Independent Director |
| | **Mr. Kishor Patil** | Executive Director |
| | **Mr. Anup Sable** | Executive Director |
| **Corporate Social Responsibility Committee** | **Mr. Anant Talaulicar** | Chairman of the Committee and Independent Director |
| | **Mr. S. B. (Ravi) Pandit** | Non-Executive Director |
| | **Mr. Sachin Tikekar** | Executive Director |
| **Enterprise Risk Management Committee** | **Mr. Srinath Batni** | Chairman of the Committee (w.e.f. February 28, 2025) and Independent Director |
| | **Mr. S. B. (Ravi) Pandit** | Non-Executive Director |
| | **Mr. Anant Talaulicar** | Independent Director |
| | **Ms. Bhavna Doshi** | Independent Director |
| | **Mr. B V R Subbu** | Independent Director |
| | **Mr. Chinmay Pandit** | Executive Director, Chief Risk Officer |



## 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



**Vijay Gokhale**
Independent Director (w.e.f. October 23, 2024)



**Ramesh Raskar**
Independent Director (w.e.f. January 29, 2025)



**Nishant Batra**
Independent Director (w.e.f. January 29, 2025)

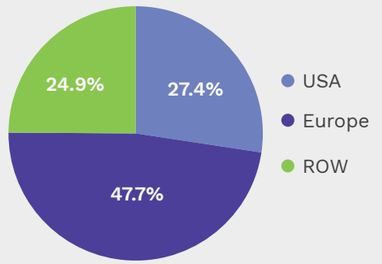
*A detailed section on the profiles of Board members is covered in this report.*

## Financial Highlights

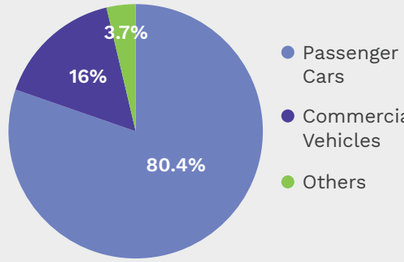
(Rs. In million)

| Consolidated Income Statement | FY 2025 | FY 2024 |
|---|---|---|
| Sales ($ Million) | 691.4 | 587.3 |
| Total Income | 60,096.7 | 49,318.1 |
| Total Expenses | 48,771.2 | 41,313.7 |
| Profit/(Loss) Before Tax | 11,325.5 | 8,004.4 |
| **Consolidated Income Statement** | | |
| Share Capital | 2,717.0 | 2,712.2 |
| Other Equity | 26,404.6 | 18,746.4 |
| Total Shareholder Funds | 29,121.6 | 21,458.6 |
| Non-Controlling Interest | - | 171.1 |
| Non-Current Liabilities | 3,990.1 | 4,923.4 |
| Current Liabilities | 17,218.0 | 15,125.9 |
| **Total Equity & Liabilities** | **50,329.6** | **41,679.0** |
| Fixed Assets | 4,489.4 | 5,237.5 |
| Right Of Use Assets | 3,594.0 | 3,033.5 |
| Goodwill On Consolidation | 11,729.1 | 11,463.3 |
| Other Non-Current Assets | 3,270.6 | 1,780.3 |
| Current Investment | 8.5 | 16.4 |
| Trade Receivables | 7,547.6 | 7,489.5 |
| Cash And Cash Equivalents | 15,864.7 | 8,551.9 |
| Other Current Assets | 3,825.8 | 4,106.8 |
| **Total Assets** | **50,329.6** | **41,679.0** |
| **Key Ratios** | | |
| Long Term Debt To Equity | 0.0% | 0.0% |
| Total Debt To Equity | 0.1% | 2.1% |
| Cash/Total Assets | 31.5% | 20.5% |

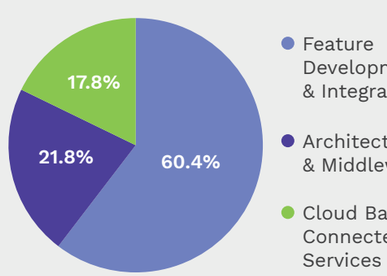
### Geography




### Verticals



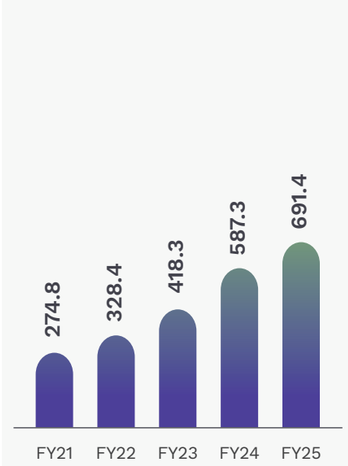

### Practice



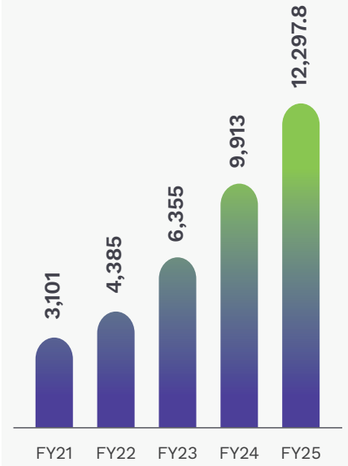



## Financial Highlights

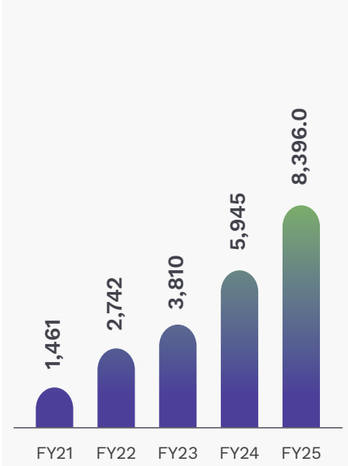
### Revenue Generated
(In $ Mn)



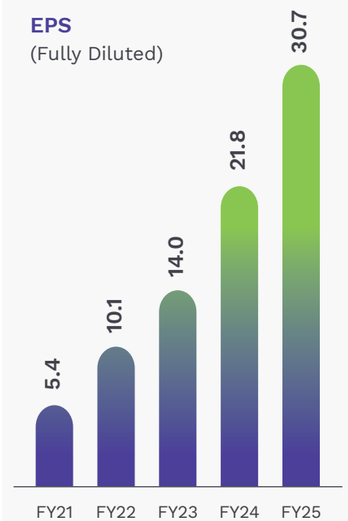

### EBITDA
( ₹ Mn)



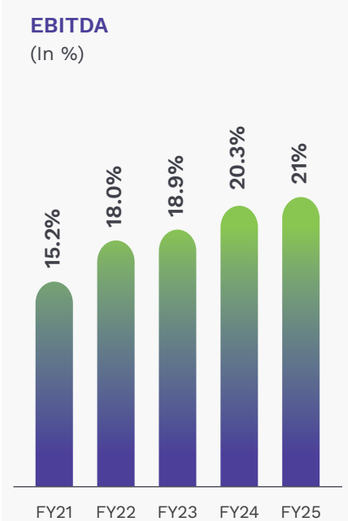

### PAT
( ₹ Mn)



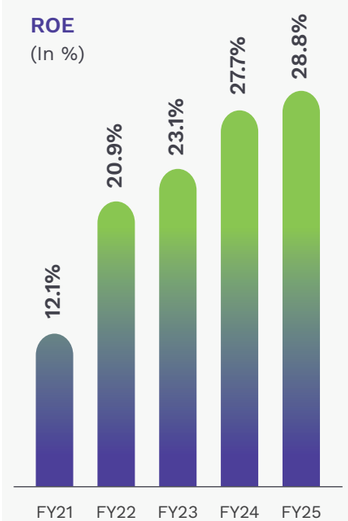

### EPS
(Fully Diluted)




### EBITDA
(In %)




### ROE
(In %)

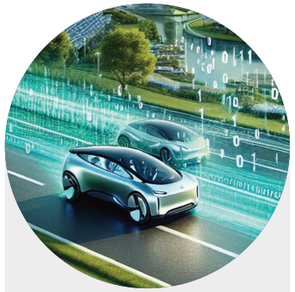


## Fueling Innovation Across the Mobility Spectrum




### KPIT, Eka Mobility, and BPCL Join Forces for Hydrogen Fuel Cell Bus Deployment in Kerala

KPIT, in collaboration with EKA Mobility and Bharat Petroleum Corporation Limited (BPCL), has taken a significant step toward Kerala's net-zero vision with the deployment of a 9-meter Hydrogen Fuel Cell Bus at Cochin International Airport (CIAL), Kochi. This initiative, showcased at the Global Hydrogen & Renewable Energy Summit, marks a first-of-its-kind deployment in Kerala, demonstrating the potential of hydrogen-powered commercial vehicles.



ECLIPSE FOUNDATION

### KPIT Joins Eclipse Foundation to Accelerate Software- Defined Vehicles Innovation

KPIT has joined the Eclipse Foundation to drive open-source innovation in SDVs. As part of the Eclipse SDV Group, KPIT will contribute its expertise in vehicle network architecture, middleware platforms, and safety-critical software to develop scalable, interoperable, and cost-effective solutions for OEMs and Tier-1 suppliers.




### KPIT's Sodium-Ion Battery Technology Moves Toward Commercialization

KPIT has taken a significant step in advancing sustainable mobility with the transfer of its breakthrough Sodium-Ion Battery Technology to Trentar Energy Solutions. This collaboration marks a pivotal moment in making electric mobility more accessible and cost-effective by leveraging earth- abundant raw materials.



### Qorix and Qualcomm: Advancing the Future of Software-Defined Vehicles

The collaboration between Qorix (established as joint venture of KPIT and ZF) and Qualcomm Technologies International Ltd. marks a significant step in accelerating the development of software-defined vehicles. By integrating Qorix middleware with the Snapdragon® Digital Chassis™ Solution, this partnership enables OEMs and Tier-1 suppliers to create high-performance, scalable, and pre-integrated solutions with reduced complexity and faster time-to-market.



## Strengthening Partnerships with Global Leaders in Mobility



### Empowering Clients Through Tech Days

KPIT Technology Days held at various client locations showcased KPIT's position as a trusted partner in driving the transformation towards software-defined vehicles. The events featured insightful discussions and exhibitions of advanced solutions, emphasizing a deep understanding of client needs and empowering them with tailored, innovative approaches.



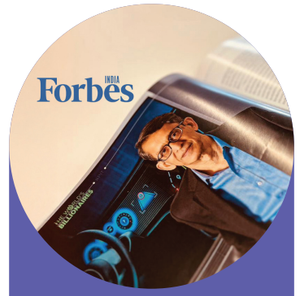
### Celebrating 5 Years of Trusted Partnership With Navistar

KPIT celebrated five years of partnership with Navistar. This milestone highlighted our remarkable progress in revolutionizing commercial vehicle technology with a strong emphasis on sustainable mobility, improved powertrain efficiency, and enhanced cabin comfort.




### KPIT Charts the Course for SDVs at WardsAuto Autotech Detroit

KPIT played a key role in shaping the conversation around the future of mobility at the WardsAuto AutoTech Detroit conference held in Novi, Michigan. Mr. Chinmay Pandit, President - Americas and Member of the Board at KPIT, joined a distinguished panel to discuss "The Evolution of Auto Tech: From Hardware-Centric to Software-Defined Vehicles."




### Forbes Highlights KPIT's Focused Growth in Mobility and Record Performance

In an interview with Forbes India, Mr. Ravi Pandit, Chairman & Co-founder of KPIT, and Kishor Patil, Co-founder, MD, & CEO of KPIT, shared the inspiring story behind KPIT's transformation. They reminisced on the company's 35-year journey, highlighting the pivotal decision to focus on automotive and mobility in 2018-19. The interview underscored the unwavering conviction that fueled this strategic shift and the incredible dedication of KPITians over the past three decades.

# Exhibiting Thought Leadership at Industry Forums




## KPIT at the World Economic Forum

**Mr. Kishor Patil,** Co-Founder, MD & CEO of KPIT, participated in the World Economic Forum's Annual Meeting of New Champions in Dalian, China. The event brought together global leaders to discuss pressing issues such as AI, sustainability, and economic growth.

## KPIT's Technology Showcase




CES 2025, Las Vegas

KPIT has been actively engaging at global mobility tech forums. This year the focus of our technology showcase has been bringing solutions that help OEMs drive substantial cost reduction, faster vehicle and feature releases, and an enhanced and reliable consumer experience. The showcase highlighted KPIT's leadership in software-defined vehicles, electrification, and AI-driven mobility solutions.




Bharat Mobility Expo 2025, New Delhi




VECS Sweden, 2025




ELIV Europe, 2024



Car IT Symposium in Ingolstadt






## Showcasing Excellence at Automobil-Elektronik Kongress (AEK) 2024

KPIT continued its longstanding presence at the prestigious Automobil-Elektronik Kongress (AEK) in 2024. This key industry event provides a valuable platform for KPIT to connect and collaborate with leaders across the European automotive and mobility landscape. KPIT was also featured on the cover of the Automobil-Elektronik magazine.




## KPIT at the Join Sweden Summit 2025

KPIT actively participated in the Join Sweden Summit 2025 to deepen its collaboration within Sweden's mobility ecosystem. At the Summit in Stockholm, hosted by the Swedish Government, Mr. Pankaj Sathe, President – Strategy and Growth Office & Member of the Executive Board, contributed to a panel discussion on 'Digital Transformation in Mobility.'

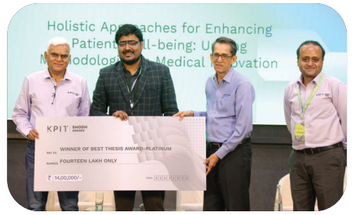



## Driving Innovation & Introducing Women in Mobility at The Commercial Vehicle Congress

KPIT Technologies made a strong impact at the 2024 Commercial Vehicle Congress (COMVEC) in the USA, where our experts shared key insights on the software-driven transformation of the commercial vehicle industry. We also launched KPIT's Women in Mobility initiative in the commercial vehicle space, promoting diversity and leadership in collaboration with industry leaders like Cummins, Navistar, and Torc Robotics.

# Building The Best Place to Grow






## KPIT Sparkle & KPIT Shodh Finale 2025

The grand finale of KPIT Sparkle & KPIT Shodh once again showcased the brilliance of young innovators and researchers shaping the future of mobility and energy. With groundbreaking ideas addressing real-world challenges, this year's finalists demonstrated exceptional technical acumen and problem-solving skills. Through KPIT Sparkle, we continue to nurture future-ready talent, while KPIT Shodh fosters deep research-driven advancements.



## First Graduates of The M.Tech Automotive Software Engineering Program

KPIT was thrilled to celebrate a momentous occasion - the graduation of the first cohort from the M.Tech Automotive Software Engineering program! This program, a collaborative effort between KPIT and Coventry University, reflects a shared commitment to shaping the future of the automotive industry. Launched in 2021, this initiative embodies KPIT's mission of being the "Best Place to Grow," fostering a culture of continuous learning and development for its people and the industry at large.

## Celebrating Excellence at KPIT Awards of Excellence 2024

KPIT's Annual awards of Excellence honored remarkable achievements and innovations of teams across technology, client engagement, and more. This vibrant event celebrated the spirit of collaboration and excellence that drives KPITians to reimagine the future of mobility.






## KPIT and SIIT: Shaping the Future of Automotive Education in Thailand

KPIT has partnered with Sirindhorn International Institute of Technology (SIIT) to elevate automotive education in Thailand. This collaboration includes expert-led sessions and internships designed to equip SIIT students with cutting-edge knowledge and practical experience in the rapidly evolving automotive industry.



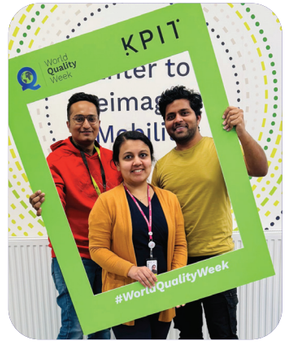



## Celebrating Women in Mobility on International Women's Day

The 5th edition of Women in Mobility hosted by KPIT was a resounding success, celebrating leadership, inspiration, and progress. Hosted by Ms. Jayada Pandit, Director - Marketing, KPIT, the event brought together industry leaders for an insightful dialogue on overcoming challenges, mastering decision-making, upskilling for excellence, and empowering future talent.

## Celebrating a Culture of Quality Across KPIT

KPIT's 4th consecutive Quality Week brought teams together across Germany, Thailand, Gaimersheim, Pune, and Bengaluru to celebrate our commitment to excellence. With over 500 engineers participating in an engaging online quiz and inspiring messages from leaders, the event reinforced the importance of fostering a strong quality culture.












## Celebrating Festivities Across the Globe with KPIT Family



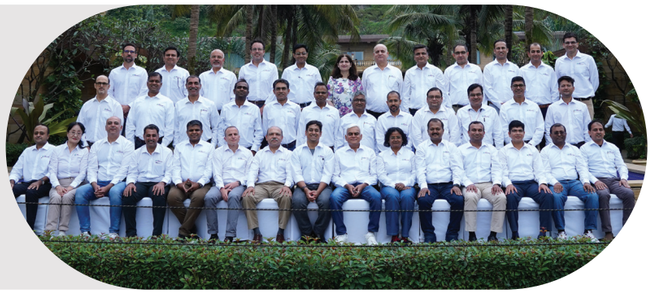






**KPIT MAESTROS**

An immersive, comprehensive program to help top leaders drive excellent outcomes at scale.





**M-POWER**

KPIT

M-Power is KPIT's flagship managerial certification program designed for our middle management employees.










**LIFE AT KPIT**

Life at KPIT is a long-running, consistent campaign on social media highlighting our employees' stories. This series gives an opportunity to talent across the spectrum—interns, freshers, mid-level professionals, senior-level employees, and leaders—to bring their stories alive. The campaign reinforces KPIT as the Best Place to Grow.








# Accolades & Recognition



### Our Chairman Receives the Lifetime Achievement Award at the SEAP Star Awards 2025

Our Co-founder and Chairman, Mr. Ravi Pandit, received the Lifetime Achievement Award at the SEAP Star Awards 2025, recognizing his contributions to the IT industry, his visionary leadership, and his exceptional service to the community.

### Our CEO Wins Tech Titan Award Under India's Best CEOs by Business Today Group

Mr. Kishor Patil, CEO and co-Founder at KPIT, was awarded the prestigious Tech Titan Award in India's Best CEOs initiative by the Business Today Group. This recognition highlights his visionary leadership in steering KPIT's transformation into a global leader in automotive and mobility software. The award was presented at a distinguished ceremony, in the presence of Dr. S. Jaishankar, Mr. Nitin Gadkari, and eminent corporate leaders.






### CFO of the Year Award

Ms. Priya Hardikar, our Chief Financial Officer, received the esteemed CFO of the Year Award in the Medium Enterprises Segment (Services category) from Financial Express. Presented by Hon'ble Union Minister Mr. Ashwini Vaishnaw in Mumbai, this recognition underscores Ms Hardikar's visionary leadership.




### Recognition for Excellence in Financial Reporting

KPIT has been awarded the Silver Shield for Excellence in Financial Reporting 2023-24 by the Institute of Chartered Accountants of India (ICAI), a prestigious recognition for our commitment to transparency, compliance, and best financial practices.






### KPIT's New Auditorium, Aikyam Wins Economic Times DesignScape Award for Iconic Design

KPIT's auditorium project has been recognized with the Economic Times DesignScape Award in the Iconic Projects category. The innovative design of Aikyam's dome, which serves as a versatile space for collaboration and creativity, exemplifies our commitment to sustainable and cutting-edge architecture.



### KPIT Lifts the ET Shark Awards for Employer Branding

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



### KPIT Wins Digital Genius Award 2024 in the CIO Crown Awards

KPIT was honored with the Digital Genius Award 2024 in the Data Center category at the 12th edition of the CIO Crown Awards. This recognition acknowledges our ongoing efforts in advancing digital infrastructure through technologies like HCI, dHCI, and AI.




### KPIT Awarded at the Global CSR & ESG Awards 2024

KPIT was recognized under the Best 3 Education Support Initiative of the Year 2024 at the Global CSR & ESG Awards, for our outstanding contribution to education. The Awards were organized by Brand Honchos Corporate Media House to felicitate leaders, corporates, and NGOs who are bringing a positive change in the society.

### KPIT Wins Data Management Platform of The Year at Autotech Breakthrough Awards

KPIT's Data Platform has been recognized as the Data Management Platform of the Year at the Autotech Breakthrough Awards. KPIT's Data Platform is a unified solution that seamlessly integrates cloud, edge, and data management technologies to optimize operations and foster innovation.

## Key Mobility Trends and KPIT Overview

The global mobility industry is undergoing profound disruption, driven by trade uncertainties, geopolitical shifts, and regulatory changes. Chinese OEMs, leveraging speed, innovation, and cost advantages, are challenging global players, while vehicle sales growth remains modest and EV momentum slows, especially in the US and Europe.

OEMs and Tier-1 suppliers are responding by streamlining portfolios, deferring large programs, and prioritizing shorter development cycles. There's a growing focus on automation, digitalization, and software-led innovation to enhance speed, reduce costs, and deliver greater customer value.

This shift is accelerating the rise of Software-Defined Vehicles (SDVs), where software is central to innovation. Emerging architectures, cloud-native development, electrification, connectivity, and autonomy are reshaping engineering paradigms—though scaling and integrating software across domains remains complex.

KPIT views this transformation as a pivotal opportunity. Guided by our vision—"Reimagining mobility with you, for a cleaner, smarter, and safer world"—we partner with mobility leaders as an independent software and systems integrator, offering deep domain expertise and collaborative engagement.

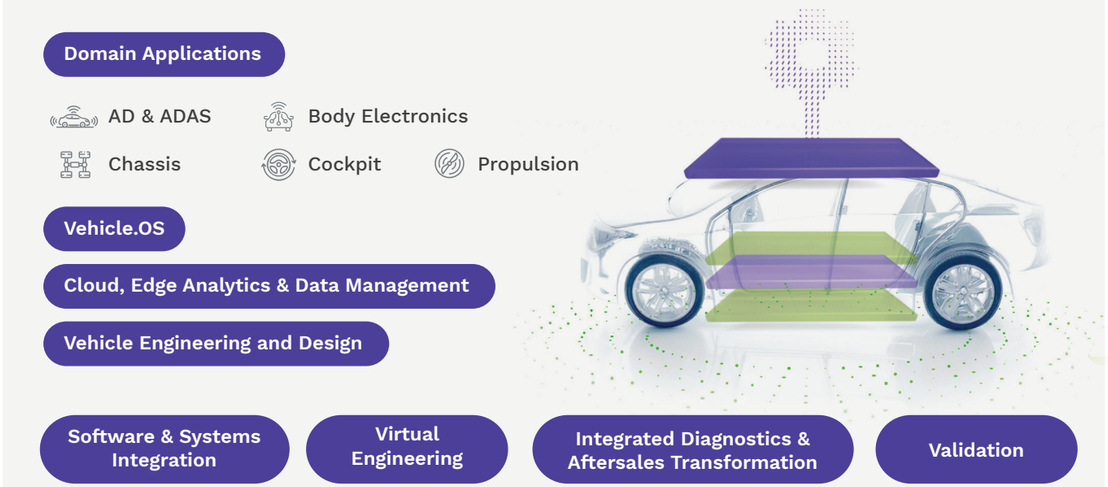
We support our partners with capabilities spanning architecture consulting, embedded software development, system prototyping, validation, and cloud-connected services. Our scale, reliability, and speed help address challenges like faster feature delivery, cost efficiency, software reuse, and cross-domain integration.

As mobility evolves, KPIT remains a trusted partner—co-creating the future of mobility through software, collaboration, and shared purpose.



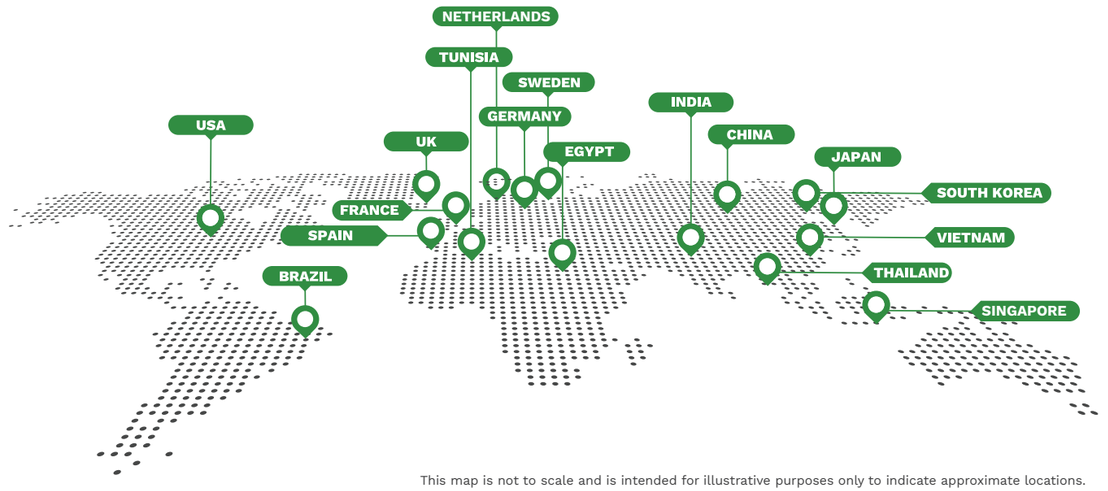
| | |
|---|---|
| 13000+ | Passionate Engineers Working on Mobility Technologies |
| 25+ | Strategic Partnership with Mobility OEMs & Tiers |
| 700+ | Production Programs |
| 80+ | Ready Platforms, Tools & Accelerators |
| 9 | SDV Programs - Strategic Partnership |

### Reimagining Software and Systems for Mobility for over two decades, offering end-to-end Solutions across Chip to Cloud




### Global Presence

| | | | | | |
|---|---|---|---|---|---|
| 17 | Countries | 25 | Locations | 30 | Nationalities |




This map is not to scale and is intended for illustrative purposes only to indicate approximate locations.

# EcoVoyage 2030 | KPIT's Journey Towards Sustainability

ECOVOYAGE 2030
KPIT'S JOURNEY TOWARDS SUSTAINABILITY

As the world grapples with the challenges of climate change, environmental degradation, and social responsibility, KPIT embarked on a transformative journey to integrate sustainability into the core of its business operations. EcoVoyage 2030 program is an initiative to further KPIT's commitment to creating a better future for generations to come.

Through this program, we aim to inspire our employees to undertake significant actions towards sustainability goals. We look to not only reduce environmental footprint but also create new opportunities for innovation, collaboration, and growth.



## Meet Voya, Our Companion On This Sustainable Journey

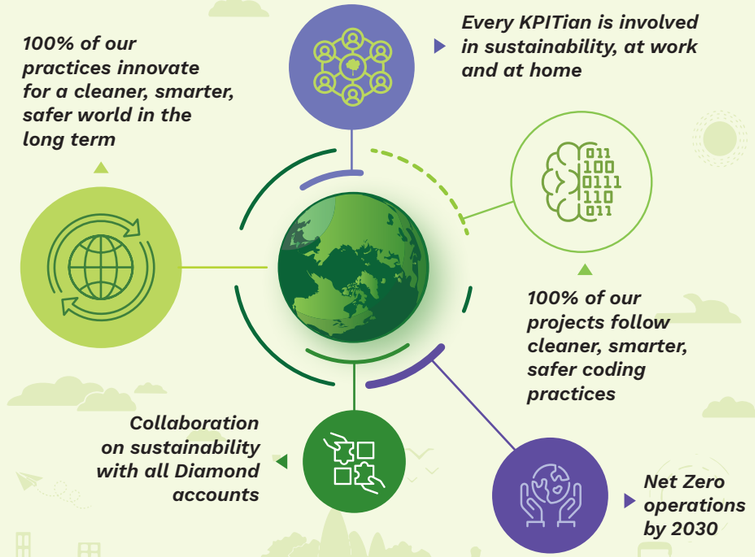
The red panda is a species native to Asia. Red pandas are on the verge of extinction, with as few as 2500 remaining in the wild. Our companion Voya, a red panda, leads the way in our journey towards a sustainable future by delivering critical messages with empathy, connection, and simplicity. The program is designed to convey the urgency of sustainable actions, create awareness, and encourage responsible participation from our teams.





## EcoVoyage2030 Philosophy

The EcoVoyage 2030 program is guided by a simple yet powerful philosophy: Imbibing Sustainability in ALL aspects of business. This philosophy is rooted in the belief that sustainability is not just a responsibility, but a business imperative that can drive value creation, risk management, and innovation.




*Five pillars of the EcoVoyage 2030 philosophy*

## Progress Towards Sustainability Goals In FY2024-25

| | |
|---|---|
| **Every Practice Validates 1 Offering per Client** | All practices have a sustainability-focused offering in development. |
| **50% KPITians Take at least One Action** | We have taken a total of 15,000+ recorded actions, with a unique participation of 39%. |
| **Green Coding Pilot** | Organization wide roll out initiated, to be followed by impact assessment. |
| **1 Sustainability Partnership in Each Geo** | CSR initiatives with 2 clients underway, initial exploration to indentify areas of collaboration on tech in progresss. |
| **Transition to Net Zero** | Benchmarking is currently underway, to be followed by alignment with SBTi. |

## Snapshots From FY2024-25 at KPIT
















### Reducing Environmental Footprint Through Green Coding

At KPIT, we recognize the importance of reducing our environmental footprint, and one key area of focus is Green Coding. Green Coding involves optimizing the software development process and the resulting software to reduce energy consumption and minimize environmental impact. By using AI, we aim to achieve “First Time Right” and reduce GHG emissions by 15%.

To achieve this, we are developing a framework for organization-wide use of open-source code reuse, and our final validation and feedback incorporation are in progress before org-wide rollout. We expect AI to play a significant role in reducing GHG emissions and improving power efficiency. In the auto sector, AI has the potential to help reduce 20% of 2030 targets.



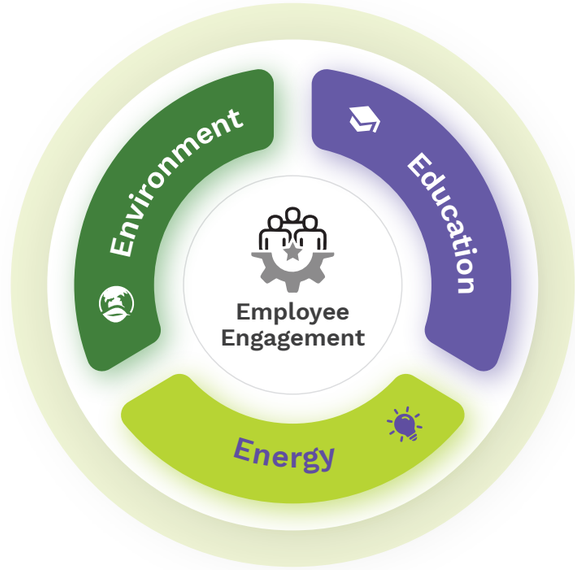
## Commitment to Environmental and Social Responsibility

### Initiatives to foster a Cleaner, Smarter, and Safer world

At KPIT, we are committed to being a socially responsible organization. We work towards making a meaningful impact through three core focus areas: Education, Energy, and Environment. These efforts are powered by Employee Engagement, which is central to our approach.

Our dedication extends across every region where KPIT operates. Like every year, this year too, employees and their families actively participated in various CSR initiatives, contributing to our vision of a cleaner, smarter, and safer world.

Through structured Corporate Social Responsibility (CSR) programs, KPIT promotes sustainability and inclusive development. These initiatives focus on empowering underprivileged communities, advancing clean energy solutions, and ensuring environmental conservation. By encouraging employee involvement, we foster a strong culture of giving back, collectively amplifying the impact of our efforts worldwide.






## Environment

KPIT is committed to environmental stewardship by undertaking activities that promote sustainability, protect ecosystems, and encourage eco-conscious practices. The focus is on reducing waste, conserving resources, and building awareness.




### Forest Conservation & Tree Plantation

KPIT partnered with the 14 Trees Foundation to transform barren lands near Pune into thriving forests, planting over 10,000 saplings of native species with a 99% survival rate. In Koyananagar, long-term afforestation efforts led to the plantation of 52,900 trees across 252 acres. Botanical garden development at Fergusson College and sapling plantations in Bengaluru and Chennai further expanded green cover, engaging over 1,400 volunteers.

### Water Conservation

KPIT addressed water scarcity through the construction of six 15,000-liter drinking water tanks in rural Maharashtra, benefiting over 1,400 villagers and 800+ cattle. The tanks were built using an innovative and sustainable approach, offering a long-term water storage solution. Stepwell rejuvenation projects in collaboration with NGOs in Pune and Bengaluru restored traditional water sources, conserving 5 million liters of water. In Bengaluru, a 3-year long ridge-to-valley rainwater harvesting system project was launched to conserve 13 million liters annually and replac 15 borewells.







### Waste Management & Awareness

KPIT's collaboration with Cummins India Foundation and other NGOs led to the collection and scientific disposal of 105 tons of e-waste and 43 tons of plastic waste. The RRR Station at Pune campus promoted reuse, recycling, and repurposing, with 245 employees donating one ton of material. Red Dot Bag Making initiatives across four cities produced 7,500 sanitary waste bags, enhancing hygiene awareness.





### River & Agricultural Restoration

Riverbank cleaning of the Mutha River engaged 67 volunteers in removing 230 kg of waste. Rice plantation activities in Velhe and ecological restoration in Kochi supported sustainable agriculture and food security for underprivileged communities.





### Ecological Restoration & Biodiversity Enhancement

A biodiversity assessment at KPIT's Pune campus documented over 320 species, including 5 IUCN Red Listed species, and led to the development of a Pollinator Park. Riverbank cleanups at Mutha River, rice plantation in Velhe, and ecological restoration in Kochi supported sustainable agriculture and habitat preservation

### Global Employee Engagement

- **Thailand:** Tree and mangrove forest plantations were conducted in Bangkok, with 80% workforce participation
- **USA:** Park and river cleanups in Michigan and Indiana involved over 80 volunteers, collecting dozens of bags of waste
- **Brazil:** E-waste donation drives supported local communities and promoted sustainability



### Sustainability Month & Eco-Friendly Celebrations

June was celebrated as Sustainability Month with daily activities promoting eco-conscious living. Awareness sessions on toxin-free lifestyles, sustainable fashion, and e-waste management inspired behavioral change. Workshops on eco-friendly Ganesha idols and Diwali lanterns encouraged sustainable festive practices. Creative initiatives like dry leaf display boards and musical skits amplified the message of sustainability across campuses.

## Education

KPIT aims to empower communities by driving access to quality education and skill development. The focus is on nurturing young minds, especially in science, technology, engineering, and mathematics (STEM), to prepare them for a sustainable future.






### Chhote Scientists Program

KPIT's flagship education initiative, Chhote Scientists, inspires school children to explore science through hands-on learning. Delivered in collaboration with Jnana Prabodhini and Seva Sahayog, the program reached over **154,000 students** across **1,012 schools** this year. Volunteers—including employees, NGO partners, teachers, and college students—facilitated sessions aligned with the National Education Policy 2020, covering themes like light, sound, biology, and automation.

The program culminated in the **vSolve 2025** competition, where **664 students from 109** schools showcased innovative solutions to scientific challenges. Winners attended a residential bootcamp focused on creativity, programming, and model-making.

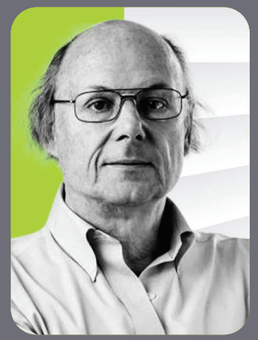
### Global Outreach – Junior Scientists Program

KPIT extended the Chhote Scientists model globally through its Junior Scientists Program, introducing science concepts to young learners via engaging, hands-on sessions:

- In the **USA,** sessions were conducted in Columbus and Novi, reaching 292 students.
- In **Thailand,** volunteers delivered four sessions at Maepra Fatima School in Bangkok.
- In **Brazil,** the program reached students at Pandiá Calógeras State School in Belo Horizonte, focusing on sustainable cities and green energy.









### Digital Content Creation & STEM Dialogues

KPIT supported the Ecological Society in producing digital content for an online course on sustainable resource management, expanding access to ecological education. Additionally, the KPIT STEM Dialogues series featured global scientists like Dr. Bjarne Stroustrup and Dr. Alan Finkel, inspiring students to pursue careers in science and technology. The series has garnered over **300,000 views.**






### Infrastructure & Skill Development

KPIT established a state-of-the-art **Hardware-Software Integration Laboratory** at COEP Technological University, bridging academia and industry in embedded systems. Workshops and credit-based courses benefited students and faculty from multiple institutions.

The **VidyaLeap Embedded System Internship Program,** supported by KPIT, trained underprivileged students from Tier II and III cities for core electronics roles, enhancing their employability.



### Online Teaching & School Kit Drive

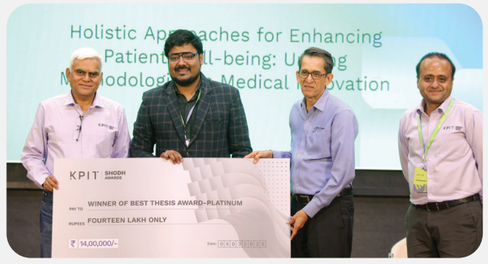
Through its partnership with eVidyaloka, KPIT volunteers taught students in rural schools across India in regional languages, reaching **665 students.** The annual **School Kit Drive** provided essential supplies to **1,129 students,** including children of support staff.

## KPIT Sparkle & KPIT Shodh

The grand finale of KPIT Sparkle and KPIT Shodh Awards was held at the KPIT Pune campus, celebrating innovation in sustainability, electrification, cybersecurity, and AI.

- **KPIT Sparkle 2025** attracted **28,000 registrations and 2,624 ideas** from over 700 colleges. The Gold Award was won by RYM Grenergy from GD Goenka University for their advanced energy storage solution using Uni-polar Programmed Supercapacitors.
- **KPIT Shodh Awards 2025** received **132 PhD submissions** globally. The Platinum Award went to Mr. Siddhant Shrivastava from IIT Kanpur for his thesis on medical innovation and navigation technology. Two Gold Awards were also conferred for groundbreaking research in intelligent vehicles and next-gen battery materials.






## NM Olympiad

KPIT supported the pilot phase of the Nisarga Mitra Olympiad, a project-based learning competition focused on science, geography, and environmental awareness. This year, 2,564 underprivileged students from rural Maharashtra participated in offline rounds using tablets. The program emphasized experimentation, teamwork, and presentation skills, with plans for expansion in the coming years.



## PMDTA – KPIT Doubles Dream of India Program

KPIT partnered with the Pune Metropolitan District Tennis Association to launch the PMDTA–KPIT Doubles Dream of India Program, aimed at elevating India's global standing in tennis doubles. Mentored by Grand Slam Champion Rohan Bopanna, the program supported athletes with coaching, physiotherapy, and tournament exposure. Players achieved significant rankings and victories across international tournaments, with plans to expand support to women's doubles and target the 2028 Olympics.












## Global Outreach – Community & Social Impact

In addition to education, energy, and environment, KPIT's global CSR footprint includes impactful community initiatives:

- **USA:** Blood donation drives, food and clothes donation campaigns, park and river cleanups, and mobility support for children through the Go Baby Go initiative.
- **Thailand:** Blood donation drives and donation campaigns supporting underprivileged children through the Baan Nokkamin Foundation.
- **Brazil:** Clothes and e-waste donation drives, and a Christmas gift collection for children in vulnerable communities.
- **Tunisia:** Blood donation, food distribution, and school renovation projects benefiting students and families in need.



## Energy

KPIT prioritizes the adoption of sustainable energy practices to address global energy challenges and contribute to a greener future. Through innovation and awareness campaigns, the organization promotes the transition to cleaner, energy-efficient solutions.

### Centre for Sustainable Energy and Mobility (C-SEM)

In its second year, the C-SEM at Pune International Centre, funded by KPIT, continued its research on energy vectors and mobility solutions critical to India's energy transition. This year, C-SEM completed its research to develop a comprehensive solution blueprint to accelerate the deployment of electric vehicle (EV) charging infrastructure through public-private partnerships. The blueprint addresses challenges in customer centricity, grid integration, and renewable energy usage for EV charging.

Transport Department of Government of Maharashtra approached C-SEM to lead the formulation of the upcoming Maharashtra EV Policy 2025. Through stakeholder consultations and expert interviews, the center proposed actionable recommendations in areas such as demand incentives, localization of EV supply chains, battery recycling, and R&D ecosystem development

### Eco-Friendly Infrastructure and Awareness

KPIT's Pune campus is a model of green infrastructure, with biodiversity assessments and plans for pollinator parks contributing to ecological sustainability plans, and successful implementation of solar panels to power energy usage at Pune campus.






# BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Eighth Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2025.

## PERFORMANCE OF THE COMPANY

(In million)

| Particulars | Standalone 2024-25 | | Consolidated 2024-25 | |
|---|---|---|---|---|
| | USD | ₹ | USD | ₹ |
| Revenue from operations | 303.44 | 25,639.34 | 691.43 | 58,423.45 |
| Profit before Tax (PBT) | 75.28 | 6,361.11 | 134.03 | 11,325.47 |
| Profit after Tax (PAT) | 57.02 | 4,818.38 | 99.37 | 8,396.00 |

## RESULT OF OPERATIONS

During the year under review, the total revenues from operations (consolidated) increased to ₹ 58,423.45 million (previous year ₹ 48,715.41 million), a growth of over 19.9% of the previous year. Earnings before interest, tax, depreciation and amortization was ₹ 12,297.75 million on a consolidated basis. Net profit after tax (consolidated) increased by 40.28% to ₹ 8,396.00 million (previous year ₹ 5,985.13 million).

In US Dollar terms, revenues from operations for the year on a consolidated basis was $ 691.43 million as against $ 587.31 million during the previous year, a growth of 17.7%. Average realization rate was ₹ 84.50 per US Dollar.

Standalone sales for the financial year 2024-25 grew by 27.14% to reach ₹ 25,639.34 million (previous year ₹ 20,166.02 million). Net profit after tax increased by 47.43% to ₹ 4,818.38 million (previous year ₹ 3,268.28 million).

## DIVIDEND

The Directors are pleased to recommend a final dividend of ₹ 6/- per equity share of face value of ₹ 10/- each (at 60 %) on the paid-up equity share capital of the Company in addition to Interim Dividend of ₹ 2.50/- per equity share of face value of ₹ 10/- each (at 25%) declared during the year. The total payout will amount to ₹ 2,330.20 million including dividend distribution tax. The Company does not propose to transfer any amount to the general reserve on declaration of dividend to the shareholders. The Dividend Distribution Policy is uploaded on the website of the Company. It is available at https://www.kpit.com/investor-gov/.

## AWARDS, RECOGNITION AND PARTNERSHIPS

During the year under review, KPIT has been honoured with several prestigious awards, reflecting our commitment to excellence:

- KPIT received the Excellent Partner Award for 2023-24 from Panasonic ITS, recognizing our eight-year collaboration as trusted partner across mobility domains.
- KPIT was honoured with the Best Supplier Award from Cummins for excellence in corporate social responsibility and indirect sourcing.
- KPIT won the Reuters Honors Award 2024 under the Innovation category, showcasing our ability to deliver groundbreaking solutions that transform the mobility industry.
- KPIT's innovative solutions in IoT were acknowledged with the Predictive Maintenance Solution of the Year award at the IoT Breakthrough Awards 2024.
- KPIT's excellence in technology was celebrated with the Data Platform of the Year award at the Autotech Breakthrough Awards 2024, reflecting our commitment to advancing data-driven solutions in the mobility industry.
- Our Co-founder and Chairman, Mr. S. B (Ravi) Pandit, received the Lifetime Achievement Award at the SEAP Star Awards 2025, recognizing his exceptional contributions to the industry and enduring legacy of leadership and innovation.
- Our Co-founder, CEO and Managing Director, Mr. Kishor Patil, was named a Tech Titan by Business Today at the Business Today Best CEOs - Tech Titan 2025, celebrating his exemplary leadership and pivotal role in steering KPIT towards technological excellence.
- KPIT was recognized for its outstanding contribution to education with the Best 3 Education Support Initiative of the Year 2024 award at the Global CSR & ESG Awards.
- KPIT received the Silver Shield at the Institute of Chartered Accountants of India Awards for Excellence in Financial Reporting 2023-24, highlighting our commitment to transparency, compliance, and best practices in financial reporting.
- KPIT's brand new auditorium, Aikyam, at our Pune campus, was awarded the Economic Times DesignScape Award in the Iconic Projects Category, celebrating

## Board's Report (Contd.)

innovation and sustainability, and embodying our vision of creating spaces that promote unity and collaboration for our diverse community.

### QUALITY, PRODUCTIVITY AND INNOVATION

Achieving Zero Defect Delivery to our customers and achieving Excellence at every touch point is one of our key strategies to achieve our Mission of becoming a leading independent software & systems integration partner in mobility. To achieve this objective of ensuring zero defect delivery to our customers, we had designed a comprehensive quality framework centred on three pillars: People, Process and Technology. This framework focuses on improving performance at Project/Program level, Practice level and Unit level. As in previous years, we identified and executed key initiatives from this framework, incorporating the latest trends in the industry. For each initiative, we worked on a comprehensive plan, defined processes with focus on sustenance and scalability, ran pilots, incorporated pilot feedback and then deployed across all projects through robust governance mechanisms.

To keep pace with emerging trends in the mobility industry and to achieve efficiency in our processes, we have embedded continuous improvement as a core strategic approach. These improvements are driven by project learnings, customer feedback, and employee-led innovation. A key initiative during the year focused on strengthening our Agile capabilities. Building on efforts initiated in the previous year, we engaged a senior industry consultant - an active member of the Agile SPICE working group and an iNTACS certified Principal Assessor for Automotive SPICE. Leveraging this expertise, we enhanced our KPIT Quality Management System (KQMS) to better support Agile methodologies, aligned to SAFe and compliant to Automotive SPICE. Then we conducted a few pilots and refined our approach based on feedback. Additionally, we upgraded our project management tools to align with Agile practices to ensure seamless and effective adoption. The current focus is on scaling these enhancements across all projects for maximum impact.

To align our processes with evolving cybersecurity requirements, particularly ISO 21434, we enhanced our KQMS during the year with the support of both internal experts and external industry consultants. In parallel, we strengthened our existing functional safety processes to comply with the latest version of ISO 26262. We also initiated our journey towards Cybersecurity Management System (CSMS) and Functional Safety Management System (FSMS) certifications.

As part of our strategic focus on enhancing productivity, we put our focus on AI-based automation and created a comprehensive plan to cover various stages of engineering lifecycle. Few key solutions have been designed, piloted and deployed across projects and few more in the pipeline. To track productivity at individual level, tools and systems have been put in place. Looking ahead, the upcoming financial year will see strong emphasis on leveraging AI-driven solutions to achieve significant increase in productivity and speed, ultimately delivering better value to our clients.

To sustain and enhance quality with our scale, we adopted an AI centric system driven approach for management process automation. In this direction, we implemented series of automation initiatives during the year. Key enhancements included upgrades to our project tracking system, project management tools, competency management systems, and customer satisfaction platforms. These systems were seamlessly integrated and supported by intuitive workflows, process controls, noncompliance detections, live visual dashboards for real time monitoring. This comprehensive automation strategy enabled uniform implementation across projects, strengthened quality rigor, facilitated deployment in new entities, accelerated competency development, improved speed of execution, and expanded span of control.

As a result of our sustained quality initiatives, we not only achieved but exceeded Customer Satisfaction Rating targets with a consistent higher coverage in all quarters, recording highest rating in the last quarter. We also achieved positive downward trend on high-risk projects, reflecting stronger project execution. While we continue to drive internal initiatives to sharpen our quality focus, our commitment is further demonstrated through ongoing alignment with globally recognized standards. We are in the mid of journey towards achieving CSMS and FSMS certifications. In addition, we continue to uphold our existing quality certifications on ISO:9001 and Automotive SPICE, reinforcing our dedication to delivering best-in-class quality across all engagements.

To reinforce our commitment to product quality, we expanded scope of our *Katapult* framework by introducing additional KPIs focused on code and test quality, while also extending its coverage across more projects. This has resulted in significant benefits to our customers, enabling consistent and continuous improvements in product quality. Furthering this momentum, we enhanced the product review process by integrating new KPIs into the review mechanism. Following successful pilot implementations, we are preparing to scale this initiative with automation in the upcoming financial year. We also maintained a strong focus on the *First Time Right* mindset, backed by clear metrics to track progress. This continued emphasis plays a critical role in driving us closer to our goal of Zero-Defect Delivery.

### SHARE CAPITAL

The issued, subscribed, and paid-up capital of the Company as on March 31, 2025, is ₹ 2,741.43 million consisting of 274,143,808 equity shares of ₹ 10/- each.





Board's Report (Contd.)

### INSTITUTIONAL SHAREHOLDING

As on March 31, 2025, the total institutional shareholding in the Company was 38.47 % 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

During the year under review, the Board of Directors approved the voluntary liquidation & dissolution of Somit Solutions Inc, and PathPartner Technology Inc, wholly owned step-down subsidiaries. FMS Future Mobility Solutions GmbH has been merged with KPIT Technologies GmbH, with effect from August 28, 2024. PathPartner Technology GmbH, wholly owned step-down subsidiary liquidated with effect from October 02, 2024. Qorix GmbH has become an associate Company with effect from June 27, 2024.

Further, the Board of Directors in their meeting held on April 28, 2025, approved a Scheme of Amalgamation of PathPartner Technology Private Limited ("Transferor Company") with KPIT Technologies Limited ("Transferee Company") and their respective shareholders and creditors. The rationale for this Scheme centers on a strategic consolidation of businesses, designed to unlock operational synergies and foster expansion with long-term, sustainable growth. This consolidation will optimize resource utilization, improve both operational and managerial efficiency, and encourage innovation through the combined knowledge and expertise of the entities involved. Furthermore, simplifying the organizational structure by reducing the number of legal entities will lower compliance costs and navigate regulatory complexities more effectively. Ultimately, this Scheme is intended to deliver greater value to all stakeholders through a more streamlined, efficient, and innovative organization.

As on March 31, 2025, the Company has 21 subsidiaries and 3 associate companies. 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 its subsidiaries & associate companies, which forms a part of the Annual Report. A statement containing salient features of the financial statements of subsidiary Companies in Form AOC-1 is annexed 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 at www.kpit.com.

### DIRECTORS

During the year under review, Members of the Company approved the appointments of:

- Mr. S. B. (Ravi) Pandit as Non-Executive Director liable to retire by rotation, on account of attaining the age of 75 years at Annual General Meeting ("AGM") held on August 27, 2024.
- Mr. Vijay Keshav Gokhale as an Independent Director for a term of three years with effect from October 23, 2024, to October 22, 2027, by way of postal ballot.
- Mr. Ramesh Raskar and Mr. Nishant Batra as Independent Directors for a term of three years with effect from January 29, 2025, to January 28, 2028, through postal ballot.

Pursuant to the provisions of Section 152 of the Companies Act 2013, Mr. Anup Sable and Mr. Chinmay Pandit, Whole-time Directors, retire by rotation at the ensuing AGM and, being eligible, offer themselves for reappointment.

### KEY MANAGERIAL PERSONNEL

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

1. Mr. Kishor Patil - Chief Executive Officer (CEO) & Managing Director.
2. Ms. Priyamvada Hardikar - Chief Financial Officer.
3. Mr. Ashish Malhotra – General Counsel & Company Secretary (with effect from April 28, 2025).

### INDEPENDENCE OF THE BOARD

The Board of Directors comprises of an optimum number of Independent Directors. In the opinion of the Board, the independent directors possess integrity, proficiency, expertise, and relevant experience. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Director are Independent in terms of Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("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
7. Mr. Vijay Keshav Gokhale
8. Mr. Ramesh Raskar
9. Mr. Nishant Batra

## Board's Report (Contd.)

### 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 an 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 to the Report on Corporate Governance which is a part of the Annual Report.

### BOARD MEETINGS

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

### COMMITTEES OF BOARD

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 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.

Pursuant to the provisions of Section 134(3)(e) of the Act, the said policy on the appointment & compensation of Directors including criteria for determining qualifications, positive attributes, independence of a director & other matters provided under Section 178(3) of the Act is available at: https://www.kpit.com/investor-gov/.

### COMMITTEE RECOMMENDATIONS

During the year under review, 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 remained steadfast in its mission to create a cleaner, smarter, and safer world. As a socially responsible organization, KPIT drives meaningful impact through its core focus areas i.e. Education, Energy, and Environment, anchored by strong employee engagement. This commitment is reflected across every region where KPIT operates globally. Our employees and their families actively participate in a wide range of CSR initiatives, consistently contributing to sustainable development and community.

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 at: https://www.kpit.com/investor-gov/. The initiatives taken by the Company on CSR during the year as per the said rules has been annexed 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 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: https://www.kpit.com/investor-gov/.

### AUDITORS

M/s. B S R & 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 Audit Committee and the Board recommend the appointment of Dr. K. R. Chandratre, Practicing Company Secretary, as Secretarial Auditor, for a term of five consecutive financial years commencing from April 1, 2025, to March 31, 2030, subject to approval of Members in the ensuing AGM.





Board's Report (Contd.)

Dr. Chandratre holds a master's degree in commerce, bachelor's degree in law and Doctorate degree from the University of Pune. He is a fellow member of the Institute of Company Secretaries of India. He has so far authored over 1200 articles and 26 books on various subjects in the areas of Corporate Laws and Corporate Secretarial Practice. Dr. K. R. Chandratre has been in the profession of Company Secretary for over 40 years. He is a renowned Practicing Company Secretary with over 23 years of Practice. Dr. K. R. Chandratre is a peer reviewed Practicing Company Secretary (Peer Review Certificate No. 1206/2021) and has given his consent to act as a Secretarial Auditor along with the eligibility certificate confirming that proposed appointment, if made, will be in compliance with the Regulation 24A of SEBI Listing Regulations read with SEBI Circulars and Section 204 of the Act & other applicable provisions read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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 with a detailed compliance report thereon forms a part of this Report. The Auditors' Certificate in respect of compliance with the provisions concerning Corporate Governance, forms a part of this Annual Report, as required under the 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 & other employees as required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is annexed as "Annexure 3A". Further, the employees who were employed for a part of the financial year & received remuneration not less than ₹ 8.5 lakh per month under the said Rule forms part of this Report. However, pursuant to the 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 the said information may write to the Company at grievances@kpit.com.

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 3B".

### EMPLOYEES STOCK OPTION SCHEMES

The Company has Employees Stock Option Schemes (ESOSs) 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.

**Notes:**

1) 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.
2) 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. 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: https://www.kpit.com/investor-gov/.

### 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

## Board's Report (Contd.)

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 has taken various measures to create awareness amongst employees such as sending emails and communication to all employees, conducting awareness sessions with new joiners and deploying an e-learning module for all KPIT employees 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, 2025.

### DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2024-25.

### 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 the 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 FY 2024-25.

### 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 90% 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.

KPIT has installed occupancy sensors in all washrooms for lighting, resulting into conservation of lighting energy. We have initiated installation of Digital Blanket platform where all the energy meters and water meters to get real time data and energy consumption. Based on data, further corrective steps are taken to optimize the consumption. HVAC and IT equipment collectively account for approximately 75% of energy consumption. Therefore, our focus has been on optimizing HVAC operations to enhance efficiency. Various practices have been implemented, such as adjusting AC temperature settings, monitoring AC systems based on occupancy, and seasonal adjustments to AC temperatures. Also implementing regular checks to power down monitors and machinery during non-operational hours and weekends to reduce IT equipment power consumption. Along with solar generation, the Company has initiated to source green power for our balance requirement and in doing so the Company will achieve 100% green power to Company's campus. Investment towards installation of meters and system to get on Digital Blanket platform is around 3.0 lakhs and washroom occupancy sensors is around 1.0 lakh.

### GREEN INITIATIVES

### FOREST CONSERVATION

KPIT is committed to forest conservation and recognizes the vital role it plays in maintaining ecological balance and preserving the environment. As a responsible organization, KPIT supports reforestation efforts, preserves wildlife habitats, and ultimately contributes to a healthier planet for future generations through impactful initiatives.

### TREE PLANTATION WITH 14 TREES FOUNDATION, PUNE

Since 2019, KPIT's partnership with 14 Trees Foundation has driven significant reforestation efforts near Narayangaon and Rajgurunagar. Over 6,964 native saplings (5,000 this year) have been planted with an impressive 99% survival rate, with the active participation of 877 KPIT volunteers including senior leaders. This project also provides employment for over 300 local villagers, demonstrating a positive community impact alongside ecological benefits.

### TREE MAINTENANCE AT KOYANANAGAR, PUNE

KPIT continues to make a significant impact on ecological conservation through its decade-long collaboration with the Wildlife Research & Conservation Society (WRCS) at the Koyna-Chandoli corridor. The project has successfully planted over 52,900 trees across 252 acres, achieving a 90% survival rate. This year's efforts focused on nurturing and maintaining these trees. 168 KPIT volunteers contributed to the year-long maintenance activities and strengthening team connections with nature.





Board's Report (Contd.)

### TREE MAINTENANCE AT FERGUSSON COLLEGE, PUNE

KPIT is boosting Pune's green cover by partnering with Maharashtra Vruksha Samvardhini to develop the botanical garden at Fergusson College. The project includes seed collection, tree nurturing, and creating spaces like a pollinators' park and fernery. It provides a rewarding volunteer opportunity for over 250 people and their families, fostering community engagement with nature.

### SAPLING PLANTATION, BENGALURU & CHENNAI

KPIT volunteers participated in sapling plantation events in Bengaluru and Chennai, partnering with local NGOs. Over 140 volunteers planted around 300 saplings at locations including Avalahalli Lake, Bangalore University, and Goodalur Village. Activities included pit digging, compost mixing, and planting.

### ECOLOGICAL ASSESSMENT AND ENHANCEMENT OF THE ECOSYSTEM, PUNE

KPIT launched a Biodiversity Assessment project with Ecovrat Envirosolutions, documenting over 320 species (183 plants, 70 birds, 77 butterflies/insects, and 6 mammals/herpetofauna) including 5 IUCN Red Listed species.

The first phase included a seasonal ecosystem assessment and the initiation of a 'Pollinator Park' with over 300 employee volunteers contributing to activities like seed collection and sapling creation. Phase two focuses on implementing the Pollinator Park and exploring the feasibility of a Sacred Grove or Rain Garden to further enhance local biodiversity and sustainability.

### WATER CONSERVATION

As part of KPIT's water conservation efforts, KPIT has taken up three major projects in Pune and Bengaluru. The projects include the construction of water storage tanks, rejuvenation of stepwells, and ridge-to-valley rainwater harvesting projects. KPIT collaborated with multiple NGOs to implement these projects.

### CONSTRUCTION OF DRINKING WATER STORAGE TANKS, PUNE

KPIT is tackling drinking water scarcity in hilly villages of Solapur, Satara, and Nashik districts of Maharashtra through a partnership with Jnana Prabodhini. The project constructs 15,000-liter Ferro Cement tanks – a sustainable and durable solution at the village level, providing clean water access to 1,455 villagers and over 800 cattle. This initiative offers a long-lasting solution to address severe water shortages experienced during the summer months.

### STEPWELL REJUVENATION, PUNE & BENGALURU

KPIT is revitalizing traditional water conservation structures through its 'Stepwell Rejuvenation' project, collaborating with Sevavardhini and Youth For Seva. The initiative restores abandoned stepwells in Patas, Pune, and Gudibande, Bengaluru, bringing them back to functionality and conserving approximately 50 lakh liters of water. Over 100 KPIT volunteers contributed to the restoration through cleaning, weeding, and planting activities, preserving these unique historical and ecological assets.

### RIDGE TO VALLEY WATER CONSERVATION, BENGALURU

KPIT partnered with Rashtrotthana Parishat to launch a three-year Water Conservation and Ecological Restoration project in Doddaballapur, Bengaluru, aiming to conserve 1.3 crore liters of water annually. The project focuses on establishing a rainwater harvesting system for drip irrigation and includes tree plantation and maintenance. Launched with the participation of Dr. Suneel Pandita (Sr. VP Practice Business Leader), the initiative saw 501 volunteers contribute to ecological restoration through activities like seed sowing and applying manure, ultimately replacing 15 existing borewells for tree watering.

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

KPIT is actively addressing e-waste management through collaborative initiatives in Pune and Bengaluru, partnering with foundations and NGOs like Cummins India Foundation, Poornam Ecovision Foundation, Janwani, and Youth For Seva. Launched in 2021, the project focuses on raising awareness and establishing e-waste collection systems in communities and schools. This year, the initiative collected and processed 105 tons of e-waste and 43 tons of plastic waste from over 22,000 donors, with mega drives collecting over 40 tons alone. Collected materials are either refurbished and donated to underprivileged students or responsibly recycled through authorized agencies, with KPIT volunteers actively participating in collection drives and kit preparation.

### RIVER CLEANING, PUNE

For the past decade, KPIT has partnered with Jeevitnadi - Living River Foundation to clean the Mutha Riverbanks. This year, 67 volunteers participated in a cleanup drive in Aundh, collecting and segregating 230 kilograms of garbage. The event included an educational session from Jeevitnadi on river conservation and sustainable living, fostering a deeper appreciation for the local environment among the volunteers.

### RICE PLANTATION WITH FARMERS, PUNE

To promote sustainability awareness, 19 KPIT volunteers from Pune office participated in a rice plantation activity at Velhe, collaborating with the Torna Rajgad Parisar Samajonnati Nyas, a Pune based NGO. The volunteers dedicated two hours to cultivating paddy in a one-acre field, gaining hands-on experience and supporting local agricultural practices.

### ECOLOGICAL RESTORATION PROJECT, KOCHI

KPIT extended its sustainability initiatives to Kochi, India, partnering with Gram Seva Samithi on an Ecological Restoration and Sustainability project. This initiative established a self-sufficient food production system to support 100 residents in need, including the elderly and students, through biofloc fish farming, vegetable gardening, and flower planting. Additionally, 17 KPIT volunteers contributed to riverbank stabilization efforts along the Periyar River to combat soil erosion.

### REUSE, RECYCLE, REPURPOSE (RRR) STATION, PUNE

KPIT has reinforced its commitment to sustainability with the launch of the "RRR Station". It is a permanent collection center established at Pune Campus (Head Office) for the responsible disposal of E-waste, Plastic Waste, and donated Clothes. The center is inaugurated by Mr. S. B. (Ravi) Pandit, Chairman, and Mr. Anant Talaulicar, Independent Director and Chairman of CSR committee.

The initiative encourages employees to participate in responsible waste management. 245 employees donated over one ton of material to Poornam Ecovision Foundation for reuse and scientific disposal, fostering a culture of reuse, recycling, and repurposing within the organization.

### SUSTAINABILITY MONTH

For over a decade, KPIT has remained committed to the **promise of a cleaner world** by observing Environment Month every year in June. This year, as we embarked on our journey towards sustainability, we celebrated it as Sustainability Month. As part of this, a range of initiatives were organized for KPIT employees with the motive of having at least one activity each day to foster sustainability.

### AWARENESS SESSIONS

KPIT's Sustainability Month featured global awareness sessions inspiring employees to adopt eco-friendly habits. Experts covered topics like replacing plastic, toxin-free living, sustainable fashion, e-waste management, and tree plantation.

These sessions spurred action, including donation drives for tiffin boxes, clothes & e-waste, and on-campus nursery stalls. Creative initiatives like leaf display boards and promoting reusable mugs further engaged employees. Skits and band performances showcased employee talent while spreading the sustainability message.

### ECO-FRIENDLY PRODUCTS STALLS, PUNE

To foster a culture of sustainability and to give alternative options for products in daily use KPIT organized various NGO stalls. This initiative not only helped to cultivate the habit of sustainable lifestyle but also provided a platform to NGOs to promote their products.

### RED DOT BAG MAKING, PUNE, BENGALURU, KOCHI AND CHENNAI

KPIT is further advancing its waste management efforts by supporting the Seva Sahayog Foundation's "Red Dot Bag Making" initiative. This project promotes hygienic sanitary waste disposal using bags made from recycled newspapers, identified by a visible red dot. Over 978 KPIT volunteers created more than 7,500 bags for distribution to underprivileged women, while also raising awareness within KPIT about proper sanitary waste segregation.

### ECO-FRIENDLY GANESHA IDOL MAKING WORKSHOP

Continuing a six-year tradition, the KPIT CSR team hosted both virtual and in-person workshops for eco-friendly Ganesha idol making. These initiatives encouraged sustainable festival celebrations by guiding employees in crafting beautiful idols entirely from eco-friendly materials.

### ECO-FRIENDLY DIWALI LANTERN MAKING

KPIT continued its commitment to sustainable festivities by hosting a workshop on creating eco-friendly lanterns. Employees and their families enthusiastically participated, learning to craft and decorate their own lanterns, bringing lively and environmentally conscious celebrations to their homes.

### CREATION OF DIGITAL CONTENT THROUGH VIDEO RECORDING FOR ONLINE PROGRAM, PUNE

KPIT is supporting The Ecological Society (ES) in expanding its reach and impact through digital learning. KPIT's support enabled ES to create video content for their online program, "Sustainable Management of Natural Resources and Nature Conservation." This initiative combines environmental education with technology, offering flexible learning options and high-quality content, with a projected reach of 1,000-1,200 additional participants over the next five years.

### MCCIA – KPIT: AWARD FOR SUSTAINABILITY

The Mahratta Chamber of Commerce, Industries, and Agriculture (MCCIA) recently hosted its 77th Annual Awards Ceremony. Notably, the Award for Sustainability, instituted by KPIT Technologies Limited, was introduced at the ceremony last year. This award aims to recognize and appreciate the efforts of corporations in Pune that prioritize sustainability. The selection criteria for the award included the organization's focus on source reduction measures, employee strength, the resulting impact, and the efforts of corporations that have a significant positive impact on the environment through sustainable practices.







## OTHER GEOGRAPHIES:

### EARTH DAY CELEBRATIONS: ART & VIDEO CONTEST

In celebration of Earth Day 2024, KPIT engaged the children of its employees in a creative "Planet Vs Plastic" art and video contest. The initiative aimed to foster environmental awareness and promote sustainability among the younger generation, with 15 children sharing their innovative ideas and solutions for reducing plastic use.

### USA

### PARK CLEANUP ACTIVITIES, NOVI

KPIT demonstrated its commitment to environmental sustainability in the USA geography through multiple cleanup initiatives in Michigan. Partnering with organizations like Friends of the Rouge and the Clinton River Watershed Council, KPIT volunteers and their families participated in park and river cleanup activities in Novi and Rochester Hills. These efforts, including a dedicated drive with student interns, resulted in the collection of 29 bags of waste and raised awareness about the harmful effects of plastic pollution on local ecosystems.

### THAILAND

### TREE PLANTATION & MANGROVE FOREST PLANTATION

KPIT Thailand significantly contributed to environmental preservation through tree and mangrove plantation initiatives. Collaborating with the Prawet District Administration and the Bangpu Nature Education Center, Bangkok, KPIT volunteers planted 300 trees as part of Bangkok's "Million Tree Planting Project" and supported coastal ecosystem health through mangrove restoration.

Notably, the activity saw participation from 80% of KPIT Thailand's workforce, demonstrating a strong commitment to sustainability.

### OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SERIES (OHSAS)

### WELLNESS INITIATIVES

- Organized SIP drive to promote wellness and healthy living.
- Conducted Wellness Vista Run to encourage employees to adopt a healthy lifestyle.
- Launched Kidney Health Awareness program to educate employees.
- Offered Womantra financial planning workshops for women.
- Developed comprehensive program for women's health & wellness.
- Conducted a webinar to educate employees about cancer prevention & treatment.
- Organized Drum Circle activity to reduce stress and promote team building.
- Hosted Health Carnival to promote health and wellness through interactive exhibits and screenings.
- Raised awareness about heart health on World Heart Day.
- Provided physiotherapy techniques to manage pain & prevent injuries.
- Raised awareness about liver health on Liver's Day.
- Conducted awareness session to educate employees about infertility & IVF treatment.
- Conducted webinar to provide tips and resources for positive parenting.

### HEALTH SERVICES

- Provided access to doctor consultations for employees.
- Conducted health check-up program to provide regular health screenings & assessments.
- Offered discounted wellness products to employees.
- Conducted oral cancer screening program to detect oral cancer early.
- Provided personalized diet coaching and nutritionist counseling.

### EMPLOYEE RECOGNITION AND APPRECIATION

- Celebrated achievements of women at KPIT.
- Recognized and appreciated the hard work and dedication of employees.

### FITNESS AND SPORTS

- Organized sports activities to promote teamwork and physical activity.
- Conducted Yoga & Zumba session to introduce young professionals to benefits of exercise.

- Organized Stepathon Challenge to encourage employees to prioritize physical health.

## MENTAL HEALTH AND WELLNESS

- Conducted session to help employees manage stress & promote mental clarity.
- Provided tools to manage anxiety and burnout through the program.
- Conducted Sahaja Yoga Meditation Workshop to provide holistic approach to managing stress.
- Organized Musical Mindfulness activity to promote social connections & reduce stress.
- Offered regular Yoga Sessions to manage stress and improve flexibility.
- Conducted session to provide holistic approach to managing stress.

## TECHNOLOGY ABSORPTION

Throughout the year under review, several technological improvement initiatives were implemented. These initiatives enhanced the performance of systems and applications while reducing costs.

## IAAS CLOUD ADOPTION FOR DR SETUP ERP & HRMS SYSTEMS

To further reduce our dependency on factors that impact the uptime and sustainability of critical applications, we chose an Infrastructure as a Service (IaaS) cloud solution for disaster recovery of our vital corporate applications. We successfully implemented this solution. Some of the key advantages of adopting an IaaS cloud solution include:

- **Cost savings:** Instead of making significant upfront investments in servers and other on-premises hardware, cloud services can be utilized on a pay-per-use basis. Additionally, features which enable us to quickly spin up instances during disaster recovery drills, contributing to cost reduction. Overall, it reduces IT support costs as there is automated mechanism for ongoing upgrade, and maintenance tasks.
- **Flexibility and scalability:** Allows us to adjust computing resources based on demand. We can increase or decrease resources as needed without the immediate investment in additional hardware.
- **Accessibility:** Public cloud providers have a global network of data centres, allowing users to access cloud resources from anywhere in the world, with low latency.
- **High availability:** Cloud providers offer high availability and reliability with guaranteed uptime through redundant systems across multiple data centres. This means cloud resources are available even if one data centre experiences an issue, ensuring uninterrupted access.
- **Security:** Implemented next generation firewalls to control incoming and outgoing traffic, and published applications via web application firewalls. Also implemented NACL to reduce attack surface. Configured RBAC, encryption, MFA & security tools for data protection.

## 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 for their responsibility before, during & 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 are implemented. The 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, we have covered 100% of assets under ZTNA.
- 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 advanced 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 and Cisco WebEx.
- Round the clock monitoring security events by dedicated team of experts.

## REMOTE WORKING ENVIRONMENT ENHANCEMENTS

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

- MFA (Multi Factor Authentication) enabled for published applications.
- Deep packet inspection in effect for all the published applications.
- Enhanced web content filtering solutions are deployed to arrest new age threats.
- Remote security updates and patch management deployment are 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

**Cloud Based Platform:** As a part of our cloud adoption journey, we are going to opt for a cloud-based resilient container platform along with CI/CD pipelines for applications deployment. Cloud-based platforms are highly available, auto-scale & flexible. To cater for the need for data services, we will deploy the highly available database clusters of databases. We will migrate our HRMS applications and its data with zero surprises from an on-premises platform to cloud based resilient container platform. This will help the organization to save considerably because of auto scaling capabilities & flexibility. Introducing monitoring & logging system for entire platform which will help us to take proactive actions along with performance monitoring, governance and cost optimization by doing resource utilization analysis.

## SOLUTION AND TECHNOLOGY DEPLOYED

**AI Adoption:** We have deployed small-scale AI infrastructure in KPIT's on-premises data centre, ensuring full control over its sensitive data. This on-premises setup eliminates the need for employees to rely on internet-based cloud resources, which can introduce latency.

**AI-Ready Infrastructure:** KPIT has successfully implemented an AI-ready infrastructure, designed to support the demanding requirements of AI workloads.

**Scalable Power Solutions**: The infrastructure is equipped with scalable power systems to meet the high energy demands of AI applications, ensuring uninterrupted operations.

**Efficient Cooling Systems**: To manage the significant heat generated by AI workloads, KPIT has integrated advanced cooling technologies.

**High Performance:** The infrastructure supports high-performance computing resources, enabling rapid processing and analysis of large datasets.

**Flexibility and Security:** Designed to be flexible, the infrastructure supports various AI tools and frameworks while maintaining robust security measures to protect sensitive data.

**Introduction of WIFI 6E:** WiFi 6E can offer faster data transfer speeds compared to previous WiFi versions with support gigabit and multi-gigabit speeds, for high video streaming.

## Board's Report (Contd.)

**Introduction of Gen 4 ML-Powered NGFWs**: Upto 5X threat prevention performance, 3X the decryption performance and 3-4x improvement in power.

**Open-source VDI solutions:** Considering expansion and future requirements, we have opted open-source VDI solutions in 2023 which offers significant cost savings compared to proprietary alternatives without compromising features and security. Leveraging open-source software, we can avoid costly licensing fees and reduce overall infrastructure expenses for Test and Training requirements. Looking at the benefits, KPIT has increased open-source VDI by 50%.

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 enables the on-demand provisioning of virtual desktops 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.

**KPIT's Commitment to Sustainability:** KPIT is proud to announce its initiative to purchase equipment from Original Equipment Manufacturers (OEMs) that are sustainability certified. This decision aligns with our ongoing commitment to environmental responsibility and sustainable practices.

### KEY HIGHLIGHTS

**Sustainability Certification:** By choosing sustainability-certified equipment, KPIT ensures that the products meet stringent environmental standards, reducing our carbon footprint and promoting eco-friendly practices.

**Environmental Impact:** This initiative supports our goal of minimizing environmental impact by using energy-efficient and environmentally friendly equipment.

**Corporate Responsibility:** It reflects our dedication to corporate social responsibility, demonstrating our commitment to sustainable development and ethical business practices.

Through this initiative, KPIT continues to lead by example in fostering a sustainable future, reinforcing our vision of creating a cleaner, smarter, and safer world.

- **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 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 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 systems 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.





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- **Hyper-Converged Infrastructure**

  KPIT is an early adopter of Hyper-Converged Infrastructure and has been reaping its benefits for the last 4 years. In our pursuit of continual services optimization, the Company has adopted Hyper-Converged 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. 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. Even achieving disaster recovery is much simpler and it supports multi-hypervisor environments.

  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:** Hyper-Converged 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.

  **KPIT's dHCI Implementation Project:**

  We are pleased to announce the successful completion of KPIT's next-generation Hyper-Converged Infrastructure (dHCI) project. This innovative approach to data center management, introduced in mid-2023, has significantly enhanced our operational efficiency and flexibility.

  **Key Benefits Realized:**

  **Independent Scaling:** Unlike traditional HCI, dHCI allows us to scale computing and storage resources independently, ensuring optimal resource allocation based on workload demands.

  **Enhanced Flexibility:** The ability to adjust resources as needed has improved our responsiveness to changing business requirements.

  **Efficient Resource Utilization:** By aligning resources more closely with actual needs, we have achieved better performance and cost-efficiency.

  **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: delivery on demand services for users, increase IT efficiency, simplify management, and 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

## Board's Report (Contd.)

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.

The 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, 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 prepare it for the 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 consumed 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 (Audio/Video conference) & Microsoft Teams across the offices and Cisco WebEx for better collaboration. 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 the new entity into our operations smoothly. We provided guidance and support based on our years of experience in the industry, sharing the 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 –**

1. One KPIT Experience.
2. Improved collaboration.
3. Effective project management.
4. Enhanced security for acquired entities.
5. Business continuity and disaster recovery.
6. Creating a global technology talent pool.





## Board's Report (Contd.)

**Research and Development (R&D) Activity**

During the year under review, the Company has incurred $ 12.91 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 ₹ 23,485.91 million (previous year ₹ 19,067.48 million) and foreign exchange outgo (including imports) has been ₹ 328.81 million (previous year ₹ 466.68 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 (₹ in million) | Purpose |
|---|---|---|---|---|---|---|
| 1 | KPIT Technologies GmbH | Investment in subsidiary | N.A. | N.A. | 925.00 | Towards further acquisition of Technica Group. |
| 2 | N-Dream AG(i) | Investment in Associate Company | N.A. | N.A. | 279.96 | Towards additional investment of 12.99% stake in N-Dream AG. |

Note:
(i) In financials, the investment as at 31 March 2025 is shown at ₹ 449.81 million, which is net of derivative of ₹ 101.35 million.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT

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

## UPDATE ON MERGER & ACQUISITION

**FMS Future Mobility Solutions GmbH:**

In FY 2023-24, the Company had 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 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 had added certain unique proprietary offerings in the autonomous driving domain. The partnership has improved KPIT access to one strategic client with new offerings and strengthen KPIT market presence in Germany. FMS Future Mobility Solutions GmbH has merged with KPIT Technologies GmbH with effect from August 28, 2024.

**Investment in N-Dream AG:**

In FY 2023-24, the Company had 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.

In FY 2023-24, 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. Pursuant to this, during the current year, the Company has acquired an additional 12.99% stake in N-Dream for a cash consideration of EUR 3.00 million. With this additional share purchase, total shareholding of the Company is 26.00% in N-Dream. The Company continues to hold non-controlling equity holding in N-Dream.

## Board's Report (Contd.)

**KPIT engineering Suarl:**

During the year, the Company has acquired 100% stake in KPIT engineering Suarl, Tunisia (KPIT Tunisia) through KPIT Technologies GmbH, a wholly owned step-down subsidiary of the Company for a cash consideration of EUR 5.00 million. KPIT Tunisia operates as a nearshore development center, primarily serving Technica Engineering GmbH, Germany, its sole customer, a leading company in Automotive, specializing in production-ready system prototyping (combination of network system architecture, hardware prototyping, integration), automotive ethernet products, and tools for validation. Also, the cash consideration for acquisition of this near shore entity in Tunisia, is a part of the total consideration of EUR 110.00 million as per the Share Purchase Agreement for Technica Group dated 21 September 2022 with the sellers. Technica Group consists of Technica Engineering GmbH, Germany, Technica Electronics Barcelona S.L., Spain, Technica Engineering Spain S.L., Spain, Technica Engineering Inc, USA and KPIT engineering Suarl, Tunisia.

**Caresoft:**

The Company through its subsidiaries has acquired 100% stake in Caresoft Global Technologies, Inc., United States of America; Caresoft Engineering Services Limited, United Kingdom; CAREGLOTECH de RL de CV, Mexico; and OXI SRL, Italy. The Company acquired the carved-out Caresoft Engineering solutions business globally which is primarily focused on Off-highway, Truck and Bus segments and Manufacturing Solutions.

As on March 31, 2025, KPIT's consolidated financial statements reflect healthy financial ratios without any long-term borrowing. Over the years, KPIT has been growing organically and inorganically with CAGR of 28.2%. All previous acquisitions have been EPS accretive and KPIT has funded those with internal accruals. In view of future plans of the Company and to enable optimal financing structuring to fulfill the long-term strategic business objectives, the approval of Members was sought by way of Postal ballot, which was completed on June 13, 2025, to increase the limits of Investments/ Loans/ Guarantee/Security over and above the limits prescribed under provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013. This approval to increase the above limits for investment in future inorganic growth opportunities including "Caresoft Entities". The same shall be utilized largely via internal accruals either directly through KPIT India or Indirectly through its subsidiaries globally.

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

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 to which the financial statements relate and the date of this Report.

However, during FY 2025, several macroeconomic, technological, and geopolitical developments are reshaping the global mobility landscape and influencing the financial and strategic decisions of our clients:

1. **Geopolitical and Economic Uncertainties:** Global disruptions—including the Russia-Ukraine conflict, U.S. election dynamics, and evolving trade policies—have contributed to supply chain volatility, inflationary pressures, and business planning uncertainty across key automotive markets.
2. **Tariff Wars and Trade Tensions:** The resurgence of tariff wars and protectionist trade policies-particularly between major economies such as the U.S., China, and the EU-is creating a highly uncertain global trade environment. For automotive OEMs, this translates into increased costs for imported components, disrupted cross-border supply chains, and the need to reassess global manufacturing footprints. Many OEMs are adopting a cautious approach, delaying investment decisions and re-evaluating sourcing strategies to mitigate geopolitical risks. The uncertain outlook is also prompting a shift toward regionalization of supply chains and localized production to buffer against future trade shocks.
3. **Market Contraction and Margin Pressures:** OEMs and Tier-1 suppliers are facing reduced unit sales, compressed margins, and shifting consumer demand. This is prompting a strategic pivot toward productivity-led innovation, platform consolidation, and more selective investment in new programs.
4. **Cost Pressures and Inflation:** Elevated material costs and rising interest rates are increasing the total cost of vehicle production and ownership. This is affecting both consumer affordability and OEM profitability, requiring sharper cost control and value engineering.
5. **Technological Disruption:** The transition to electric, software-defined, and connected vehicles continues to drive significant investment in embedded systems, cloud-native platforms, and domain controllers. The ascent of Chinese OEMs in global markets brings new dimension in this evolving industry landscape. Chinese OEMs are resetting the benchmarks for speed, cost, and customer-centric innovation, developing new vehicles in half the time and one-third the cost of traditional OEMs – inturn disrupting the whole industry.
6. **Increased Productivity Expectations:** Automotive clients are under pressure to "do more with less." Decision-making cycles are lengthening, but delivery expectations remain aggressive. Budget optimizations, discount pressures, and efficiency mandates are reshaping program execution norms.
7. **Sustainability and Regulatory Mandates:** Growing regulatory scrutiny on emissions, battery traceability, and ESG disclosures is compelling OEMs to invest in cleaner propulsion systems and transparent supply chains, accelerating the push towards sustainable mobility.
8. **Artificial Intelligence & GenAI in Mobility:** AI and GenAI are emerging as transformative forces in the automotive domain. From autonomous driving algorithms and predictive maintenance to generative design and intelligent in-cabin experiences, AI is enabling smarter, faster, and more efficient development cycles.

In this evolving industry landscape, the Company remains agile and well-positioned. Through continued investments in new technology offerings, talent, and focusing on trusted client partnerships, we are supporting our clients' transformation agendas and driving long-term value creation.

### 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. 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 against the Company by its officers or employees, the details of which need to be mentioned in the Board's report.

### ANNUAL RETURN

The Annual Return of the Company for the financial year 2023-24 in Form MGT-7 and extract of Annual Return in Form MGT-9 as on March 31, 2025, are available on the Company's website at http://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, 2025, 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, 2025, and of the profit of the Company for the year ended March 31, 2025.

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

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

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

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 28, 2025.

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.

## Board's Report (Contd.)

### 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 Board of Directors

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

Pune
April 28, 2025





# 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 | 11.7630 | 11.7551 | 165.56 | (48.14) | 210.72 | 93.30 | - | 421.79 | (7.10) | - | (7.10) | - | 100% |
| 2 | KPIT Technologies (UK) Limited (Refer note i below) | 15-Jan-19 | NA | GBP | 110.7389 | 108.2041 | 1,660.04 | 1,544.30 | 4,191.66 | 987.32 | - | 3,923.81 | 199.02 | (68.93) | 130.09 | - | 100% |
| 3 | KPIT Technologies Netherlands B.V. | 15-Jan-19 | NA | EUR | 92.3246 | 90.7151 | 46.16 | 540.89 | 729.49 | 142.44 | - | 735.71 | 84.76 | (20.83) | 63.93 | - | 100% |
| 4 | KPIT Technologies GmbH (Refer note ii and xiv below) | 15-Jan-19 | NA | EUR | 92.3246 | 90.7151 | 1,699.71 | 8,799.53 | 19,104.22 | 8,604.98 | - | 9,655.19 | (1,638.79) | (821.29) | (2,460.08) | - | 100% |
| 5 | MicroFuzzy Industrie-Elektronic GmbH (Refer note iii below) | 15-Jan-19 | NA | EUR | 92.3246 | 90.7151 | 2.40 | 92.55 | 6,998.11 | 6,903.16 | 0.46 | 6,967.77 | 600.65 | - | 600.65 | - | 100% |
| 6 | KPIT Technologias Ltda. (Refer note iv below) | 15-Jan-19 | NA | BRL | 14.8350 | 14.8842 | 0.01 | 129.42 | 157.17 | 27.74 | - | 253.18 | 16.76 | (10.21) | 6.55 | - | 100% |
| 7 | KPIT Technologies GK (Refer note v below) | 2-Apr-18 | NA | JPY | 0.5675 | 0.5559 | 15.55 | 1,148.81 | 4,599.86 | 3,435.50 | - | 11,645.92 | 849.81 | (269.97) | 579.84 | - | 100% |
| 8 | KPIT Technologies Holding Inc. | 6-Sep-18 | NA | USD | 85.5814 | 84.6257 | 1,454.88 | 9.39 | 1,464.83 | 0.56 | - | - | 4.54 | - | 4.54 | - | 100% |
| 9 | KPIT Technologies Inc. (Refer note vi below) | 3-Apr-18 | NA | USD | 85.5814 | 84.6257 | 427.91 | 1,924.62 | 4,798.65 | 2,446.12 | - | 15,428.99 | 165.38 | (41.05) | 124.32 | - | 100% |
| 10 | KPIT Tech (Thailand) Co., Ltd. (Refer note vii below) | 1-Apr-19 | NA | THB | 2.5231 | 2.4389 | 40.37 | 126.95 | 177.23 | 9.91 | - | 255.77 | 26.76 | (0.01) | 26.75 | - | 100% |
| 11 | PathPartner Technology Private Limited (Refer note viii below) | 19-Oct-21 | NA | INR | 1.0000 | 1.0000 | 11.13 | 851.37 | 1,111.67 | 249.17 | 719.89 | 977.34 | 226.31 | (69.62) | 156.69 | - | 100% |
| 12 | PathPartner Technology Inc. (Refer note ix below) | 19-Oct-21 | NA | USD | 85.5814 | 84.6257 | 4.28 | 103.41 | 109.39 | 1.70 | - | 268.40 | 30.62 | (8.59) | 22.03 | - | 100% |
| 13 | PathPartner Technology GmbH (upto 2 October 2024) | 19-Oct-21 | NA | EUR | 92.3246 | 90.7151 | NA | NA | NA | NA | NA | - | (1.74) | - | (1.74) | - | NA |

## 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 14 | Technica Engineering GmbH (Refer note iii below) | 1-Oct-22 | NA | EUR | 92.3246 | 90.7151 | 3.46 | 1,118.15 | 4,772.67 | 3,651.06 | - | 8,183.79 | 2,284.30 | 1.50 | 2,285.80 | - | 100% |
| 15 | Technica Electronics Barcelona S.L. (Refer note iii below) | 1-Oct-22 | NA | EUR | 92.3246 | 90.7151 | 0.31 | 480.63 | 549.78 | 68.84 | 306.89 | 645.16 | 173.16 | (0.19) | 172.97 | - | 100% |
| 16 | Technica Engineering Spain S.L. (Refer note iii below) | 1-Oct-22 | NA | EUR | 92.3246 | 90.7151 | 0.31 | 84.56 | 114.18 | 29.31 | - | 295.52 | 63.64 | (12.20) | 51.45 | - | 100% |
| 17 | Technica Engineering Inc. (Refer note x below) | 1-Oct-22 | NA | USD | 85.5814 | 84.6257 | - | 19.65 | 381.81 | 362.16 | - | 455.82 | (52.06) | - | (52.06) | - | 100% |
| 18 | KPIT Technologies S.A.S. (Refer note xi below) | 23-Sep-22 | NA | EUR | 92.3246 | 90.7151 | 9.23 | 70.32 | 857.07 | 777.52 | 295.52 | 2,819.23 | 87.29 | (24.64) | 62.65 | - | 100% |
| 19 | Somit Solutions Limited (Refer note xii below) | 31-May-22 | NA | GBP | 110.7389 | 108.2041 | 0.02 | 59.10 | 59.50 | 0.38 | - | 7.22 | 1.13 | - | 1.13 | - | 100% |
| 20 | Somit Solutions Inc. (Refer note xiii below) | 31-May-22 | NA | USD | 85.5814 | 84.6257 | 2.40 | 54.73 | 57.13 | - | - | 0.98 | (2.63) | - | (2.63) | - | 100% |
| 21 | Qorix GmbH (upto 26 June 2024) | 12-Jun-23 | NA | EUR | 92.3246 | 90.7151 | NA | NA | NA | NA | NA | 25.06 | (52.49) | (0.02) | (52.50) | - | NA |
| 22 | KPIT Engineering SUARL (w.e.f. 4 December 2024) (Refer note iii below) | 4-Dec-24 | NA | TND | 27.6261 | 27.0628 | 0.88 | 53.68 | 159.69 | 105.13 | - | 471.73 | 52.59 | - | 52.58 | - | 100% |
| 23 | KPIT Technologies AB (w.e.f. 11 December 2024) (Refer note xii below) | 11-Dec-24 | NA | SEK | 8.5460 | 7.9530 | 17.09 | (1.19) | 16.61 | 0.71 | - | - | (1.10) | - | (1.10) | - | 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.





## Annexure 1 (Contd.)

viii. 100% 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. FMS Future Mobility Solutions GmbH merged with KPIT Technologies GmbH, Germany with the appointed date of 1 January 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

**Ashish Malhotra**
General Counsel & Company Secretary

Place: Pune
Date: April 28, 2025

2025 Annual Report

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## 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/Joint Venture | N-Dream AG (Associate) (Refer note a below) | Qorix GmbH (Joint venture) (Refer note b and c below) |
|---|---|---|---|
| 1 | **Latest audited Balance Sheet date** | 31 December 2024 | Not applicable |
| 2 | **Shares of Associate/ Joint Venture held by the company on the year end** | | |
| i | Number of shares | 114,218 | 1,352,941 |
| ii | Amount of investment in Associate/Joint Venture | ₹ 417.33 million | ₹ 1,519.76 million |
| iii | Extend of holding (%) | 26.00% | 44.44% |
| 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 holds 26% stake in N-Dream AG. | Not applicable as it is a joint venture |
| 4 | **Reason why the associate/ joint venture is not consolidated** | Equity method of accounting is followed as per IND AS 28 - Investments in Associates and Joint Ventures, hence only share of profit or loss is considered. | Equity method of accounting is followed 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** | ₹ 60.87 million | Not applicable |
| 6 | **Profit/(Loss) for the year** | ₹ (160.54) million | ₹ 3.30 million |
| i | Considered in consolidation | ₹ (27.12) million | ₹ 1.65 million |
| ii | Not considered in consolidation | ₹ (133.42) million | ₹ 1.65 million |

**Notes:**

a. During the current year, the Company has acquired an additional 12.99% stake in N-Dream AG.

b. Qorix GmbH has become joint venture company with effect from 27 June 2024. The Company had 50% ownership with effect from 27 June 2024 upto 12 March 2025 and subsequently 44.44% ownership effective 13 March 2025.

c. The figures for Qorix GmbH include those of its wholly owned subsidiary, Qorix India Private Limited, incorporated on 13 May 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

**Ashish Malhotra**
General Counsel & Company Secretary

Place: Pune
Date: April 28, 2025





# 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 arrangements or transactions at arm's length basis: -

| | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any: | Date(s) of approval by the Board, if any: | Amount paid/ received as advances, if any: |
|---|---|---|---|---|---|---|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 1. | **KPIT Technologies Inc., USA (KPIT USA)**<br>[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** | The 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**.<br>**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 into 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.**<br>[Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**] | Contract for providing offshore software development and consultancy services to **KPIT UK** | The 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**.<br>**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 into 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** | The 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**.<br>**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 into 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** | The 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**.<br>**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 into in ordinary course of business and at arm's length basis, approval by the Board was not required. | Nil |

For and behalf of the Board of Directors

Pune
April 28, 2025

**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 (₹ 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 ₹ 1,02,00,000/- p.a. in aggregate including Top 10 employees of the Company** | | | | | | | |
| Kishor Patil | 63 | CEO & Managing Director | Chartered Accountant & Cost Accountant | 41 | 08-01-2018@ | 65.56 | |
| Sachin Tikekar | 57 | President & Joint Managing Director | MBA (Strategic Management & International Finance) | 31 | 08-01-2018@ | 60.22 | |
| Anup Sable | 56 | CTO & Whole-time Director | B.E. (Mechanical) | 37 | 22-12-2021$ | 17.36 | |
| Chinmay Pandit | 41 | Whole-time Director (Head of Geography-America) | Chartered Accountant & MBA | 23 | 26-07-2022$ | 62.99# | |
| Rajesh Janwadkar | 55 | President (Global Head-Delivery Operations) | Bachelor of Engineering | 36 | 01-01-2019 | 15.70 | KPIT Technologies Limited (renamed as Birlasoft Limited)** |
| Priyamvada Hardikar | 53 | Chief Financial Officer | Cost Accountant | 32 | 01-01-2019 | 15.70 | |
| Manaswini Rath | 51 | Senior Vice President (Practice Business Leader) | M.S. (Industrial Electronics) | 31 | 01-01-2019 | 13.38 | |
| Pushpahas Joshi | 50 | Executive Vice President | Bachelor of Engineering | 31 | 01-01-2019 | 14.07 | |
| Nishant Tholiya | 49 | Senior Vice President | Bachelor of Engineering (Electronic & Telecommunication) | 28 | 01-01-2019 | 12.24 | |
| Rajesh Kumar Singh | 48 | Senior Vice President | MPM, MMS | 24 | 01-01-2019 | 13.09 | |
| Suneel Pandita | 59 | Senior Vice President (Practice Business Leader) | Doctorate in Material Science | 27 | 27-06-2019 | 12.40 | Boeing International |

## Annexure - 3A (Contd.)

| Name | Age (yrs) | Designation | Qualification | Experience (yrs) | Date of joining | Remuneration Received (₹ In Million)* | Particulars of previous employment |
|---|---|---|---|---|---|---|---|
| Dhrubajyoti Sarma | 50 | Senior Vice President (Practice Business Leader) | Bachelor of Engineering | 28 | 01-01-2019 | 12.50 | |
| Omkar S Panse | 49 | Senior Vice President (Practice Business Leader) | Bachelor of Engineering | 30 | 01-01-2019 | 11.92 | |
| Suresh A Umakanthaiah | 58 | Senior Vice President (Operations) | Master of Business Administration | 37 | 01-01-2019 | 10.75 | KPIT Technologies Limited |
| Mohit Kochar | 50 | Vice President, Marketing | Master of Business Administration | 19 | 01-01-2019 | 11.02 | (renamed Birlasoft Limited)** |
| Akshay Kanetkar | 43 | Sr. Vice President-Business Finance | Chartered Accountant | 22 | 01-01-2019 | 11.44 | |
| Tejas Kshatriya | 51 | Vice President | Bachelor of Engineering | 29 | 01-01-2019 | 10.30 | |

$ 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 including amount received towards VPI. A gross Bonus of USD 0.10 million, pertaining to FY 2023–24, was disbursed in FY 2024–25 is also included.

* 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 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 & actual 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 per cent 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 on behalf of Board of Directors

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

Place: Pune
Date: April 28, 2025





# 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 | 13.07 |
| Mr. Kishor Patil# | 52.51 |
| Mr. Sachin Tikekar# | 47.73 |
| Mr. Anup Sable# | 13.58 |
| Mr. Chinmay Pandit# | 48.19 |
| Prof. Alberto Sangiovanni Vincentelli | 4.62 |
| Mr. B V R Subbu | 5.18 |
| Mr. Anant Talaulicar | 6.18 |
| Ms. Bhavna Doshi | 5.21 |
| Prof. Rajiv Lal | 2.74 |
| Mr. Srinath Batni | 4.87 |
| Mr. Vijay Keshav Gokhale* | 1.98 |
| Mr. Ramesh Raskar^ | 1.32 |
| Mr. Nishant Batra^ | 1.32 |

# 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.

* Appointed as an Independent Director w.e.f October 23, 2024

^ Appointed as an Independent Director w.e.f January 29, 2025

## Annexure - 3B (Contd.)

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

| Names | Percentage |
|---|---|
| Mr. S. B. (Ravi) Pandit | 17.46 |
| Mr. Kishor Patil# | 9.44 |
| Mr. Sachin Tikekar# | 8.64 |
| Mr. Anup Sable# | 11.23 |
| Mr. Chinmay Pandit# | 40.69 |
| Prof. Alberto Sangiovanni Vincentelli | 10.03 |
| Mr. B V R Subbu | 61.29 |
| Mr. Anant Talaulicar | 5.44 |
| Ms. Bhavna Doshi | 49.61 |
| Prof. Rajiv Lal | (19.15) |
| Mr. Srinath Batni | 328.45 |
| Mr. Vijay Keshav Gokhale* | - |
| Mr. Ramesh Raskar^ | - |
| Mr. Nishant Batra^ | - |
| Ms. Priyamvada Hardikar | 7.70 |
| Ms. Nida Deshpande@ | 17.55 |
| Mr. Ashish Malhotra$ | Not Applicable |

# 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.

* Appointed as an Independent Director w.e.f. October 23, 2024

^ Appointed as an Independent Director w.e.f. January 29, 2025

$ Appointed as General Counsel & Company Secretary w.e.f. April 28, 2025.

@ Ceased to be Company Secretary w.e.f. April 27, 2025.

| | | |
|---|---|---|
| iii. | The percentage increase in the median remuneration of employees in the financial year | 5.00% |
| iv. | The number of permanent employees on the rolls of the Company | 9149 employees as on March 31, 2025. |
| 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 | The average percentage increase in salaries of employees other than Managerial Personnel is 6%.<br>The average increase in the remuneration of Directors and Key Managerial Personnel is 12%. |
| vi. | It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company. | |

For and on behalf of the Board of Directors

Pune
April 28, 2025

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





# ANNEXURE 4

**A. Summary of Status of ESOPs Granted**

The position of the existing schemes is summarized as under:

I. **Details of the ESOS / RSU:**

| Sr. No. | Particulars | ESOS 2019A Scheme | RSU 2022 Scheme |
|---|---|---|---|
| **I.** | **Details of the ESOS / RSU** | | |
| 1 | Date of Shareholders' Approval | 23-Jul-19 | 24-Aug-22 |
| 2 | Total Number of Options approved | 41,28,493 | 41,12,157 |
| 3 | Vesting Requirements | 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. | The Options would vest, not earlier than the minimum Vesting Period of 1 (One) year and not later than the maximum Vesting Period of 4 (Four) years from the date of Grant. |
| 4 | The Pricing Formula | 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. | Exercise Price per RSU shall be the face value of Shares as on date of exercise. |
| 5 | Maximum term of Options granted (years) | 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. | Maximum exercise period of 5 (Five) years from the date of last vesting of RSUs. |
| 6 | Method of Settlement | Settlement by issue of Equity shares. | 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. |

## Annexure - 4 (Contd.)

| Sr. No. | Particulars | ESOS 2019A Scheme | RSU 2022 Scheme |
|---|---|---|---|
| 8 | Variation in terms of the Scheme | 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 |

**II. Option Movement during the year ended March 2025:**

| Sr. No. | Particulars | ESOS 2019A Scheme | | RSU 2022 Scheme | |
|---|---|---|---|---|---|
| | | No. of Options | Wt. Avg Exercise Price | No. of Options | Wt. Avg Exercise Price |
| 1 | No. of Options Outstanding at the beginning of the year | 20,61,355 | 10.00 | 0 | NA |
| 2 | Options Granted during the year | 5,000 | 10.00 | 8,52,750 | 10.00 |
| 3 | No. of additional shares offered during the year | 0 | 0.00 | 0 | 0.00 |
| 4 | Options/ shares Forfeited / Surrendered during the year | 23,600 | 10.00 | 13,200 | 10.00 |
| 5 | Options/ shares Lapsed / cancelled during the year | 0 | 0.00 | 14,200 | 0.00 |
| 6 | Options Vested during the year | 14,21,770 | 10.00 | 0 | 10.00 |
| 7 | Options/ shares Exercised during the year | 4,75,485 | 10.00 | 0 | NA |
| 8 | Total number of shares arising as a result of exercise of options | 4,75,485 | 10.00 | 0 | NA |
| 9 | Money realized by exercise of options (Rs.) | 47,54,850 | NA | 0 | NA |
| 10 | Number of options/ Outstanding shares at the end of the year | 15,67,270 | 10.00 | 8,25,350 | 10.00 |
| 11 | Number of Options/ shares exercisable at the end of the year | 14,51,870 | 10.00 | 0 | NA |

**Notes:**

1) 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.

2) 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 . Accordingly, the scheme stands closed.





## Annexure - 4 (Contd.)

**III. Weighted Average Remaining Contractual Life:**

| Range of Exercise Price | ESOS 2019A Scheme | RSU 2022 Scheme |
|---|---|---|
| | Weighted Avg Contractual Life (in Years) as on March 31, 2025 | |
| 0 to 50 | 3.15 | 6.19 |
| No. of Options Outstanding | 15,67,270 | 8,25,350 |
| 50 to 100 | NA | NA |
| No. of Options Outstanding | Nil | Nil |
| 100 to 150 | NA | NA |
| No. of Options Outstanding | Nil | Nil |
| 150 to 200 | NA | NA |
| No. of Options Outstanding | Nil | Nil |

**IV. Weighted Average Fair Value of Options granted during the year ended March 31, 2025, whose**

| Sr. No. | Particulars | ESOS 2019A Scheme | RSU 2022 Scheme |
|---|---|---|---|
| (a) | Exercise price equals market price | NA | NA |
| (b) | Exercise price is greater than market price | NA | NA |
| (c) | Exercise price is less than market price | 1,381.68 | 1,386.47 |

**V.**

| Sr. No. | Particulars | ESOS 2019A Scheme | RSU 2022 Scheme |
|---|---|---|---|
| 1 | The weighted average market price of options exercised during the year ended March 31, 2025 | 1,538.74 | NA |

**VI. Employee-wise details of options granted during the financial year 2024-25 to:**

**(i) Senior Managerial Personnel:**

| Sr. No. | Name of the Employee | ESOS 2019A Scheme No. of Options Granted | RSU 2022 Scheme No. of Options Granted |
|---|---|---|---|
| 1 | Pankaj Sathe | Nil | 7,000 |
| 2 | Pushpahas Joshi | Nil | 7,000 |
| 3 | Rajesh Janwadkar | Nil | 7,000 |
| 4 | Priyamvada Hardikar | Nil | 7,000 |
| 5 | Rohit Natekar | Nil | 5,500 |
| 6 | Mohit Kochar | Nil | 5,000 |
| 7 | Rajesh Kumar Singh | Nil | 7,000 |
| 8 | Ashish Malhotra | Nil | 8,000 |

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

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

## Annexure - 4 (Contd.)

**(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:**

| Name of the Employee | ESOS 2019A Scheme<br>No. of Options Granted | RSU 2022 Scheme<br>No. of Options Granted |
|---|---|---|
| - | None of the employees were granted more than 1% or more of the options granted during the year. | |

**VII. Method and Assumptions used to estimate the fair value of options granted during the year ended March 2025:**

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

The Assumptions used in the model are as follows:

| Sr. No. | Variables | ESOS 2019A Scheme<br>Weighted Avg | RSU 2022 Scheme<br>Weighted Avg |
|---|---|---|---|
| 1. | Risk Free Interest Rate % | 7.08% | 7.06% |
| 2. | Expected Life (in years) | 3.76 | 3.76 |
| 3. | Expected Volatility % | 44.36% | 44.27% |
| 4. | Dividend Yield % | 0.38% | 0.38% |
| 5. | Exercise Price (Rs.) | 10.00 | 10.00 |
| 6. | Price of the underlying share in the market at the time of the option grant (Rs.) | 1,409.30 | 1,414.29 |

**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 | March 31, 2025 |
|---|---|---|
| 1 | Employee Option Plan Expense | 67,17,31,866 |
| 2 | Total Liability at the end of the period | 90,96,76,138 |

**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 Limited Employees Welfare Trust has been transferred to the Company.

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





## Annexure - 4 (Contd.)

| 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 disbursed by Company / any Company in the group, during 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 | |

| Brief details of transactions in shares by the Trust | |
|---|---|
| Particulars | Details |
| Number of shares held at the beginning of the year | 29,26,924 |
| Number of shares acquired during the year through | |
| primary issuance | NIL |
| secondary acquisition | NIL |
| percentage of paid-up equity capital 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 | 4,85,485 |
| purpose for transfer of shares to the employees / sold during the year | KPIT Technologies Limited Employees Welfare Trust ("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 and the Trust, in turn, transfers 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 are done on behalf of the employees. |
| Number of shares held at the end of the year | 24,41,439 |
| 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 | 14,36,545 | 0.52 |
| Acquired during the year | Nil | 0.00 |
| Sold during the year | Nil | 0.00 |
| Transferred to the employees during the year | 4,85,485 | 0.18 |
| Held at the end of the year* | 9,51,060 | 0.35 |

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

For and on behalf of the Board of Directors

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

Pune
April 28, 2025

# 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 | Member (Joint Managing 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/investor-gov/

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: **₹ 3,519,756,371**
   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **₹ 70,395,127**
   (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)]: **₹ 70,395,127**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 71,606,037**
   (b) Amount spent in Administrative overheads : **₹ 3,519,756**
   (c) Amount spent on Impact Assessment, if applicable: **NA**
   (d) Total amount spent for the Financial Year [(a)+(b) + (c)]: **₹ 75,125,793**
   (e) CSR amount spent or unspent for the Financial Year:

| 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 |
| ₹ 75,125,793 | NIL | - | - | NIL | - |





**Annexure - 5 (Contd.)**

(f) Excess amount for set-off, if any: **₹ 4,730,666**

| Sr. No. | Particular | Amount (in ₹) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 70,395,127 |
| (ii) | Total amount spent for the Financial Year | 75,125,793 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 4,730,666 |
| (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)] | 4,730,666 |

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 | | |
| 1 | 2023-24 | 9,500,000 | 4,500,000 | 5,000,000 | Nil | - | 4,500,000* | Nil |

* lying in the unspent CSR Account will be utilized till FY 2026-27.

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:

## 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 | CSR amount spent | Details of entity/ authority/ beneficiary of the registered owner | | |
|---|---|---|---|---|---|---|---|
| | | | | | CSR Registration Number | Name | Registered address |
| 1 | Smart Board, Microline India Pvt. Ltd<br>Educational Activity Research Centre (EARC), Jnana Prabodhini, 510 Sadashiv Peth, Pune | 411030 | 7-Aug-24 | 128,620 | | | |
| 2 | Smart Board, Microline India Pvt. Ltd<br>Jnana Prabodhini, 510 Sadashiv Peth, Pune | 411030 | 7-Aug-24 | 146,320 | | | |
| 3 | Camera & Tripod, Kirti Stores<br>Educational Activity Research Centre (EARC), Jnana Prabodhini, 510 Sadashiv Peth, Pune | 411030 | 8-Oct-24 | 65,000 | CSR00002565 | Jnana Prabodhini EARC | Jnana Prabodhini, 510, Sadashiv Peth , Pune |
| 4 | Audiotechnica, Amazone<br>Educational Activity Research Centre (EARC), Jnana Prabodhini, 510 Sadashiv Peth, Pune | 411030 | 21-Aug-24 | 13,599 | | | |
| 5 | Sliding Board, Smita Enterprises<br>Educational Activity Research Centre (EARC), Jnana Prabodhini, 510 Sadashiv Peth, Pune | 411030 | 28-Aug-24 | 18,113 | | | |
| 6 | TA-1 TAILOR FOOT TA-1ECO STAND & TA-1 TABLE FOLDING | 411052 | 26-Sep-24 | 109,600 | | | |
| 7 | JUKI-8100 E DIRECT DRIVE HIGH SPEED MACHINE | 411052 | 16-Dec-24 | 139,800 | CSR00003823 | MKSSS | Karvenagar Pune 411052 |
| 8 | TA-1 TAILOR FOOT TA-1ECO STAND & TA-1 TABLE FOLDING | 411052 | 11-Jan-25 | 109,600 | | | |
| 9 | 8 ESD Workstation, 12 Non ESD Workstation | 411005 | 21-Mar-25 | 538,080 | | | |
| 10 | TV Screen for COEP Lab | 411005 | 24-Feb-25 | 90,516 | CSR00044825 | COEP | Shivajinagar, Pune-411005 |
| 11 | Open Market Items for COEP Lab (KPIT) | 411005 | 12-Mar-25 | 575,379 | | | |





## 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 | CSR amount spent | Details of entity/ authority/ beneficiary of the registered owner | | |
|---|---|---|---|---|---|---|---|
| | | | | | CSR Registration Number | Name | Registered address |
| 12 | Infrastructure work at COEP Lab | 411005 | 12-Mar-25 | 1,611,261 | | | |
| 13 | Tables (12 Single Deck+8 Double Deck) for COEP Lab | 411005 | 13-Mar-25 | 538,080 | | | |
| 14 | Chairs for COEP Lab | 411005 | 13-Mar-25 | 152,220 | | | |
| 15 | Infrastructure work of Storage Tanks | 413111 | 15-Mar-25 | 96,365 | | | |
| | | 413107 | 15-Mar-25 | 96,365 | | | |
| | | 422208 | 15-Mar-25 | 96,365 | | | |
| | | 422001 | 15-Mar-25 | 96,365 | CSR00002565 | Jnana Prabodhini | Jnana Prabodhini, 510, Sadashiv Peth , Pune |
| | | 412212 | 15-Mar-25 | 96,365 | | | |
| | | 415022 | 15-Mar-25 | 96,365 | | | |
| 16 | Tablets – 10 qty | 411030 | 4-Jan-25 | 325,000 | | | |
| 17 | Aeriotech-Winbond – Flash Memory Board | 411009 | 25-Mar-25 | 43,350 | | | |
| 18 | Projector - 2 qty | 411009 | 25-Feb-25 | 37,546 | | | |
| 19 | Laptop - 2 qty | 411009 | 25-Mar-25 | 35,000 | CSR00003144 | Netra. Accelerator Foundation | KLE CTiE, BVB College Campus, Vidyanagari, Hubali |
| 20 | TI Development Board | 411009 | 25-Mar-25 | 123,549 | | | |
| 21 | Adaptors, LCD Displays | 411009 | 25-Mar-25 | 160,106 | | | |

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**

Annexure - 5 (Contd.)

During FY 2024-25, the Company has spent ₹ 75,125,793 on various projects in accordance with the CSR Rules.

| Sr . No. | CSR projects Identified | Sector in which the project is covered | Location City/ District (State) | Proposed Budget 2024-25 | Actual Spent 2024-25 | Balance | Remarks | Amount spent: Direct or through implementing agency | CSR Registration Number | Project Type |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | ***E-Waste Management*** | Environmental Sustainability | | | - | | | | | |
| | Janwani | | Pune (Maharashtra) | 2,375,100 | 2,375,100 | - | Spent as per plan | Agency: Janwani | CSR00003799 | Other Than Ongoing |
| | Poornam Ecovision Foundation | | Bengaluru (Karnataka) | 2,929,500 | 2,929,500 | - | Spent as per plan | Agency: Poornam Ecovision Foundation | CSR00002686 | Other Than Ongoing |
| 2 | **Nisarg Mitra:** Jnana Prabodhini | Environmental Sustainability | Pune (Maharashtra) | 1,000,000 | 1,000,000 | - | Spent as per plan | Agency: Jnana Prabodhini | CSR00002565 | Other Than Ongoing |
| 3 | ***Tree Plantation*** | Environmental Sustainability | | | | | | | | |
| | Conservation of Private Forests in Koyna-Chandoli Corridor: Wildlife Research & Conservation Society | | Satara (Maharashtra) | 1,400,000 | 1,400,000 | - | Spent as per plan | Agency: Wildlife Research & Conservation Society | CSR00004158 | Other Than Ongoing |
| | Tree plantation: 14 Trees Foundation | | Pune (Maharashtra) | 8,250,000 | 8,250,000 | - | Spent as per plan | Agency: 14 Trees Foundation | CSR00055456 | Other Than Ongoing |
| | Tree plantation: GoPals | | Bengaluru (Karnataka) | 175,000 | 175,000 | - | Spent as per plan | Agency: GoPals | CSR00023279 | Other Than Ongoing |
| 4 | **Ecological Restoration**- Kochi: GSS | Environmental Sustainability | Kochi (Kerala) | 200,000 | 200,000 | - | Spent as per plan | Agency: GSS | CSR00075910 | Other Than Ongoing |
| 5 | **Creation of Digital Content through Video Recording for Online (Self-paced) Program:** Ecological Society | Environmental Sustainability | Pune (Maharashtra) | 594,000 | 594,000 | - | Spent as per plan | Agency: Ecological Society | CSR00009860 | Other Than Ongoing |



Annexure - 5 (Contd.)

| Sr . No. | CSR projects Identified | Sector in which the project is covered | Location City/ District (State) | Proposed Budget 2024-25 | Actual Spent 2024-25 | Balance | Remarks | Amount spent: Direct or through implementing agency | CSR Registration Number | Project Type |
|---|---|---|---|---|---|---|---|---|---|---|
| 6 | **KPIT Sparkle:** Direct | Promoting Education | PAN India | 12,800,000 | 10,643,771 | 2,156,229 | Tentative budget estimates for Direct projects of the Company included as a part of Annual Action Plan. Amount spent is as per the actual invoices booked for the Project execution | Direct | - | Other Than Ongoing |
| 7 | **KPIT Shodh:** Direct | Promoting Education | PAN India | 3,000,000 | 3,120,000 | (120,000) | Tentative budget estimates for Direct projects of the Company included as a part of Annual Action Plan. Amount spent is as per the actual invoices booked for the Project execution | Direct | - | Other Than Ongoing |

Annexure - 5 (Contd.)

| Sr. No. | CSR projects Identified | Sector in which the project is covered | Location City/ District (State) | Proposed Budget 2024-25 | Actual Spent 2024-25 | Balance | Remarks | Amount spent: Direct or through implementing agency | CSR Registration Number | Project Type |
|---|---|---|---|---|---|---|---|---|---|---|
| 8 | **KPIT STEM Dialogues:** Direct | Promoting Education | Pune (Maharashtra) | 1,300,000 | 1,035,000 | 265,000 | Tentative budget estimates for Direct projects of the Company included as a part of Annual Action Plan. Amount spent is as per the actual invoices booked for the Project execution | Direct | - | Other Than Ongoing |
| 9 | **Economic Empowerment of Women through skill training** | | | | | | | | | |
| | Swargiya Nana Palkar Smriti Samiti, Pune | Women Empowerment | Pune (Maharashtra) | 2,699,610 | 2,699,610 | - | Spent as per plan | Agency: Swargiya Nana Palkar Smriti Samiti, Pune | CSR00009375 | Other Than Ongoing |
| | Maharshi Karve Stri Shikshan Sanstha | | Pune (Maharashtra) | 1,697,400 | 1,697,400 | - | Spent as per plan | Agency: Maharshi Karve Stree Shikshan Samstha | CSR00003823 | Other Than Ongoing |
| 10 | **Hardware-Software Integration Laboratory at COEP :** Direct | Promoting Education | Pune (Maharashtra) | 3,000,000 | 2,967,456 | 32,544 | Tentative budget estimates for Direct projects of the Company included as a part of Annual Action Plan. Amount spent is as per the actual invoices booked for the Project execution | Direct | CSR000044825 | Ongoing |



Annexure - 5 (Contd.)

| Sr. No. | CSR projects Identified | Sector in which the project is covered | Location City/ District (State) | Proposed Budget 2024-25 | Actual Spent 2024-25 | Balance | Remarks | Amount spent: Direct or through implementing agency | CSR Registration Number | Project Type |
|---|---|---|---|---|---|---|---|---|---|---|
| 11 | **Center for Sustainable Energy and Mobility -** PIC | Environmental Sustainability | Pune (Maharashtra) | - | | - | Spent as per plan | Agency: Pune International Centre | CSR00013432 | Ongoing |
| 12 | **Water Conservation** | Environmental Sustainability | | | | | | | | |
| | Jnana Prabodhini | | Pune (Maharashtra) | 1,118,000 | 1,118,000 | - | Spent as per plan | Agency: Jnana Prabodhini | CSR00002565 | Ongoing |
| | Sevavardhini | | Pune (Maharashtra) | 1,403,520 | 1,403,520 | - | Spent as per plan | Agency: Sevavardhini | CSR00000860 | Ongoing |
| | Youth For Seva | | Bengaluru (Karnataka) | 3,124,050 | 3,124,050 | - | Spent as per plan | Agency: Youth For Seva | CSR00000368 | Ongoing |
| | Rashtrothana Parishat | | Bengaluru (Karnataka) | 5,500,000 | 2,750,000 | 2,750,000 | Due to challenges in construction work, NGO requested to disburse the balance amount in next financial year | Agency: Rashtrotthana Parishat | CSR00004658 | Ongoing |
| 13 | **Chhote Scientists** | Promoting Education | | | - | - | | | | |
| | Jnana Prabodhini | | PAN India | 13,000,000 | 12,491,800 | - | Spent as per plan | Agency: Jnana Prabodhini | CSR00002565 | Ongoing |
| | Seva Sahayog | | Pune (Maharashtra) | | 508,200 | | | Agency: Seva Sahayog | CSR00000756 | Ongoing |
| 14 | **Ecological Assessment / Biodiversity Park** | Environmental Sustainability | Pune (Maharashtra) | 623,630 | 623,630 | - | Spent as per plan | Direct | - | - |
| 15 | **Skill Development :** NETRA | Promoting Education | Pune (Maharashtra) | 1,500,000 | 1,500,000 | - | Spent as per plan | Agency: Netra | CSR00003144 | Ongoing |
| 16 | **Encouraging the Lawn Tennis in India:** PMDTA | Training to promote Olympic Sports | Pune (Maharashtra) | 9,000,000 | 9,000,000 | - | Spent as per plan | Agency: In Association with PMDTA | CSR00016166 | Ongoing |
| | Admin Overheads (5% of total CSR expenditure) | - | - | 3,519,756 | 3,519,756 | - | - | - | - | - |
| | Total | | | 80,209,566 | 75,125,793 | 5,083,773* | | | | |

* Figure given is difference between budgeted amount & actual spending made by company during the year.

Pune
April 28, 2025

**Kishor Patil**
CEO & Managing Director

**Anant Talaulicar**
Chairman of CSR Committee

# ANNEXURE 6

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025 ('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 2025 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 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 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 (Buy-Back 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.





**Annexure - 6 (Contd.)**

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

**I further report that**

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

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

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

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

**I further report that** during the audit period the following specific events/actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The board of the Company at its meeting held on 24 July 2024 approved merger of Future Mobility GmbH (wholly owned step-down subsidiary of the company) with KPIT Technologies GmbH (wholly owned step-down subsidiary of the company).

2. The Company on 20 December 2024, by postal ballot, obtained approval of shareholders for raising capital through issuance of equity shares or other eligible convertible securities for an amount up to INR 2,880 Crores.

**Dr. K. R. Chandratre**
FCS No.: 1370, C. P. No.: 5144
UDIN: F001370G000217146
Peer Review
Certificate No.: 1206/2021

Place: Pune
Date: 28 April 2025

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

# Annexure to the Secretarial Audit Report

To:

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

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

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

**Dr. K. R. Chandratre**
FCS No.: 1370, C. P. No.: 5144
UDIN: F001370G000217146
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: 28 April 2025





# MANAGEMENT DISCUSSION AND ANALYSIS

## GLOBAL OUTLOOK

The January 2025 IMF Global Economic Outlook projects global growth at 3.3% for both 2025 and 2026, which remains below the 20-year average of 3.7%. This projection aligns with the October 2024 forecast, primarily due to an upward revision in United States growth, which offsets downward revisions in other economies—highlighting a divergent trend in growth rates among advanced economies.

Global headline inflation is expected to ease to 4.2% in 2025 and 3.5% in 2026, down from the 5%+ levels observed in 2024. Monetary policy rates across most central banks are anticipated to trend lower, albeit at varying paces, depending on their respective growth and inflation outlooks.

World trade volume growth is now estimated at 3.2% in 2025 and 3.3% in 2026. This marks a downward revision from earlier estimates, largely due to heightened global trade uncertainty stemming from tariff policy tensions between the world's two largest economies.

Global financial conditions have generally remained accommodative. However, the strength of the U.S. dollar—following the United States elections and expectations of new tariffs—has slightly tightened conditions.

Demand in the United States remains robust. According to the January 2025 IMF projections, U.S. growth is forecast at 2.7%, an improvement over the 2024 estimate. However, the ongoing tariff conflict between major global economies raises the risk of negative economic shocks. This escalation in trade tensions and policy uncertainty is expected to significantly influence global economic activity.

The Euro area recorded 0.8% growth in 2024. According to the European Central Bank (ECB), average real GDP growth is projected at 0.9% in 2025, strengthening to 1.2% in 2026 and 1.3% in 2027. While manufacturing continues to pose a challenge for growth, macroeconomic uncertainty has affected investment levels and competitiveness, weighing on exports. Nevertheless, services growth has remained resilient. Rising household incomes and a strong labor market are supporting a gradual recovery in consumption, although consumer confidence remains fragile and saving rates are elevated.

Germany's real economic growth is estimated to have contracted by 0.2%, as reported by the German Federal Statistics Office (Destatis). This decline was driven by both cyclical and structural pressures, including increased competition in exports, high energy costs, and elevated interest rates (which have since been reduced). Manufacturing also experienced a downturn. On a positive note, the services sector grew by 0.8%, with the Information & Communication segment expanding by a healthy 2.5%. Entering 2025, Germany is set to implement a fiscal stimulus through a special infrastructure and investment fund. According to DIW, one of Germany's leading economic forecasters, the proposed €500 billion fund could boost economic output by more than two percentage points annually over the next decade.

In 2024, the United Kingdom economy grew by 0.75%. The Bank of England projects real GDP growth to remain at 0.75% in 2025 and rise to 1.5% in 2026. Inflation, which stood at 2.5% in 2024, is expected to increase to 3.5% in 2025.

France, which maintained a steady 1.1% growth over the past two years, is expected to grow close to 1% annually over the next two years.

Global disinflation is continuing, supported by cooling labor markets. Inflation rates are now significantly lower than those observed in 2022 and 2023. China is also experiencing lower inflation, which supports global commodity price stability, although this may be influenced by ongoing tariff uncertainties.

China recorded 4.8% growth in 2024. According to the January 2025 IMF forecast, it is expected to grow by 4.6% in 2025 and 4.5% in 2026. India remains one of the fastest-growing large economies, with projected growth of 6.5% in both 2025 and 2026.

## INDUSTRY TRENDS

The global automotive and mobility industry experienced a period of recalibration in FY24–25, shaped by a confluence of geopolitical, economic, and technological forces. The overall market volume showed signs of contraction, particularly for established Western original equipment manufacturers (OEMs), as global trade dynamics and regional policy shifts altered the competitive landscape. The implementation of protectionist trade policies—such as U.S. tariffs and "Make in USA" mandates—alongside economic uncertainties in Europe and Asia, led to a reconfiguration of supply chains and a reassessment of manufacturing footprints.

In response to these macroeconomic headwinds, OEMs and Tier-1 suppliers adopted a more cautious and efficiency-driven approach. There was a marked shift in strategic priorities, with companies focusing on cost optimization, faster time to market, streamlining product portfolios, and accelerating automation across engineering, research, and development functions. This recalibration was evident through OEMs' increased reliance on digital engineering, fixed-price engagements, and solution-based delivery models, moving away from traditional time-and-materials contracts.

In the Americas, OEMs responded to evolving trade policies by localizing production and investing in advanced driver-assistance systems (ADAS) while intensifying their focus on connected vehicle platforms and data monetization

strategies. They leveraged partnerships with technology providers to unlock new revenue streams.

Asia emerged as a global leader in electric vehicle (EV) adoption and autonomous vehicle (AV) innovation. China continued to dominate the EV market, while India and Southeast Asia accelerated their electrification agendas through government-backed initiatives. The region also witnessed significant advancements in hydrogen fuel cell technology and sustainable public transport infrastructure.

Europe faced a dual challenge of economic restructuring and intensified competition from Chinese OEMs. While traditional automakers launched affordable EVs to defend market share, they also contended with plant closures and workforce reductions. Chinese players, leveraging localized supply chains and strategic partnerships, continued to expand their footprint across the continent despite regulatory barriers.

Across segments, the commercial vehicle (CV) and off-highway (OHW) categories demonstrated resilience, with increased investments in electrification and digital integration. Semiconductor companies, critical to the mobility ecosystem, maintained strong momentum, driven by their pivotal role in enabling connected, autonomous, and software-defined vehicles.

While the long-term outlook remains positive, the immediate environment calls for pragmatism. Complexity in vehicle programs is rising sharply, talent shortages in embedded software persist, and cost pressures—especially in commoditized hardware—remain real. Nonetheless, the mid-term horizon is one of transformation: as the industry pivots to software-defined architectures and electrification at scale, investments in development, integration, and particularly validation are no longer optional—they are mission-critical for meeting the timelines and ambitions of next-generation vehicle platforms.

## NAVIGATING THE SHIFT: MID-TERM OUTLOOK ON AUTOMOTIVE SOFTWARE & E/E SPENDING

As outlined in the McKinsey report *"Mapping the Automotive Software and Electronics Landscape through 2030,"* the global automotive software and electronics market is expected to grow at a CAGR of 9.4%, reaching approximately USD 83 billion by 2030. This growth is driven by the accelerating shift toward software-defined vehicles, increased electrification, and the proliferation of advanced driver-assistance systems (ADAS). While the broader automotive market continues to grow at a more modest pace, spending on software and electrical/electronic (E/E) components is rapidly outpacing it.

Within the overall E/E value pool: Power electronics is expected to lead with a CAGR of ~15%, reflecting the rising share of electric vehicles. Automotive software is projected to grow at ~9%, Sensors, especially those supporting autonomy and connectivity, are expected to grow around 8%. And ECU/DCU components are projected to grow at a slower rate of ~5%, impacted by cost optimization and architectural consolidation into centralized computing units.

This rising investment in software and electronics is closely tied to how OEMs are organizing their vehicle development programs. With many new software-defined platforms and electric vehicles slated for launch around 2026–27, the current mid-term period is witnessing a marked increase in spending across software development, system integration, and end-to-end validation.

OEMs are under significant pressure to ensure that these vehicles—many of which involve new zonal or centralized compute architectures—are launched on time and meet heightened expectations for performance, safety, and upgradeability. As a result, validation activities, including closed-loop simulation, hardware-in-the-loop (HIL), software-in-the-loop (SIL), and vehicle-level testing, are becoming critical cost and capability centers. These efforts are not only essential for launch readiness but are increasingly seen as strategic investments to enable over-the-air updates, feature scalability, and long-term maintainability of software platforms.

In parallel, the industry continues to adapt to the structural shift in how software and hardware are developed, sourced, and managed. OEMs are increasingly decoupling software and hardware development cycles, establishing agile cross-functional teams, and redefining make-vs-buy strategies to retain control over differentiating software stacks while collaborating on standard platforms.

This evolution opens up new opportunities for suppliers to support OEMs across domain-specific solutions, integration, software components, toolchains, and analytics. The pressure to accelerate delivery, reduce integration risk, and maintain cybersecurity and compliance is driving greater alignment across engineering, procurement, and quality functions.

## KPIT OVERVIEW AND UPDATES

KPIT Technologies is a global partner to the automotive and mobility ecosystem, dedicated to making software-defined vehicles a reality. As a leading independent software development and integration partner, KPIT helps the mobility sector leapfrog toward a clean, smart, and safe future. With over 13,000 automobelievers worldwide 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, the USA, Japan, China, Thailand, and India, KPIT collaborates with leaders in automotive and mobility, positioning itself at the forefront of industry transformation.

In the face of a rapidly evolving mobility landscape, KPIT has adopted a forward-looking and resilient strategy to align with client priorities and industry shifts. As global OEMs recalibrate their product strategies and seek greater efficiency in engineering investments, KPIT responds with a multi-dimensional approach that emphasizes client intimacy, innovation, and operational agility.

A key pillar of KPIT's strategy is deepening engagement with strategic clients. The company actively consolidates its position by displacing competitors through integrated, cross-practice, and cross-geography offerings. By focusing on areas that address real pain points for clients—such as cost reduction, faster time to market, and domains like software-defined vehicles (SDVs), electrification, and autonomous technologies—KPIT expands its wallet share and strengthens long-term partnerships.

To support this growth, KPIT is diversifying its portfolio through the introduction of new sub-verticals and offerings. The company has made strategic inroads into the trucks and off-highway segments, while also launching differentiated services in cybersecurity, advanced vehicle engineering, end-to-end validation, and semiconductors. These additions are designed to address emerging client needs and position KPIT as a comprehensive engineering partner.

KPIT is also evolving its engagement models. The company is transitioning from traditional time-and-material (T&M) contracts to fixed-price, licensing, and solution-based models. This shift not only enhances revenue predictability but also aligns with clients' expectations for outcome-driven partnerships. This is demonstrated through a growing acceptance of cross-practice and cross-geography solutions, backed by the consolidation of offerings and tailored micro-practices to meet the specific needs of strategic accounts. The emphasis is on delivering higher productivity and faster time-to-market, often under tighter budget constraints.

A cornerstone of KPIT's transformation is its strategic investment in AI and automation. The company is embedding AI across the software development lifecycle to reduce validation timelines, improve quality, and enhance productivity. Internally, KPIT has deployed AI tools such as KGPT (a ChatGPT-like assistant), Copilot, and bespoke engineering agents to empower employees and streamline operations. These tools are also being piloted in client projects, reinforcing KPIT's commitment to innovation-led delivery. To ensure seamless execution, KPIT has realigned its organizational structure and is driving change management initiatives aimed at delivering faster and more cost-effectively. The company is also proactively engaging with clients' AI teams to co-create solutions and identify new areas of collaboration. This includes leveraging accelerators, domain knowledge, and partnerships to deliver end-to-end solutions in areas like autonomous driving, digital cockpit, and cybersecurity.

KPIT's strategic response is rooted in a clear understanding of client challenges and a commitment to delivering differentiated value. By staying agile, investing in future-ready capabilities, and fostering deep client relationships, KPIT is well-positioned to navigate near-term uncertainties and capitalize on long-term growth opportunities in the automotive ER&D space.

## FINANCIAL PERFORMANCE

### REVENUE:

During this year, our $ revenue stood at $ 691.4 Million, a Y-o-Y growth of 17.7% against $ 587.3 Million in FY24. In ₹ terms, revenue for the year was reported at ₹ 58,423.45 as against ₹ 48,715.41 Million in FY24, a Y-o-Y growth of 19.9%.

The passenger cars vertical contributed around 80.4% of the total revenues in FY25 whereas the commercial vehicles segment contributed around 16.0% of the revenues.

In terms of geography, US contributed around 27.4%, Europe 47.7% and the balance 24.9% came from Asia. Asia led the growth followed by Europe and then USA.

Our Strategic Accounts contributed around 86.9% of the overall revenues and the growth in these accounts was close to 20.9%.

### PROFITABILITY:

The EBITDA for FY25 stood at 21.0% as against 20.3% for FY24. The EBITDA for FY25 was ₹ 12,297.8 Million. The Net Profit for FY25 stood at ₹ 8,396.0 Million, a Y-o-Y growth of 41.2%. Consistent improvement in profitability over the last 3 years.

## OPERATIONS AND INVESTMENTS

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, AI, front-end and talent development 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.

## SHAREHOLDER'S FUNDS

The Shareholder's Funds as at March 31, 2025 stood at ₹ 29,121.6 Million.

## Management Discussion and Analysis (Contd.)

### LIQUIDITY

The Cash Balance as at March 31, 2025 stood at ₹ 15,864.73 Million as against ₹ 8,958.7 Million as at March 31, 2024. The DSO were at 44 days as at March 31, 2025 as against 51 days as at March 31, 2024 with our continued consistent focus on faster cash conversion.

As on March 31, 2025, the total debt on the books of the company stood at ₹ 15 Million of Working Capital Loan.

Thus, the Net Cash Balance as at March 31, 2025 stood at ₹ 15,850 Million as against ₹ 8,514 Million as at March 31, 2024, a net operational increase (without considering M&A payouts) of ₹ 9,593 Million.

### EMPLOYEES

The total headcount for the company stood at 12,873, as at the end of FY25. The same was 12,856 as at the end of FY24. The Development Headcount was 11,993 as against 12,064 last year. The detail update on People is covered under the Chairman's Letter.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

### RISKS AND CONCERNS

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

### *CAUTIONARY STATEMENT*

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





# REPORT ON CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE PHILOSOPHY:

Corporate Governance encompasses the rules, practices, and processes that form the foundation for a company's environmental awareness, ethical conduct, corporate strategies, compensation, and risk management. It provides a fundamental value framework for the efficient functioning of the enterprise and its organizational culture. It supervises business strategies, ensuring fiscal accountability, ethical corporate behavior, and fairness to all stakeholders, including regulators, employees, customers, vendors, investors, and society at large, helping the company adapt to changing times. Effective Corporate Governance practices are the bedrock upon which successful commercial enterprises are built to endure.

The company continually strives to foster mutual trust and cooperation with all its stakeholders by adhering to the required levels of disclosure and transparency, in accordance with applicable laws and its policies. The company engages transparently with all stakeholders, helping them understand its long-term strategies and earning the trust and goodwill of its investors, business partners, employees, and the communities in which it operates. All actions are guided by its values and principles, which are reinforced at every level of the company. Strong leadership and effective corporate governance practices have been integral to the KPIT's culture and ethos.

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**!!

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. 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), provide feedback constructively and applies learning and feedback quickly to improve results |
| **Seek Clarity** | Communicates effectively to provide clarity, creates a clear definition of what needs to be done and role allocation for major tasks and is respectful when asking questions |
| **Push Back** | Respectfully shares a different point of view, regardless of grade, is open to considering new facts & perspectives push back when not convinced, else own the decisions |
| **Keep Commitments** | Keep to commitments on every deliverable - time, quality, scope aligned with world class standards |
| **Own Failures** | Accepts responsibility when team's commitments aren't kept, own failures without justifications and list learnings |
| **Share Knowledge** | Share knowledge with others and help them improve, provides effective feedback to others |
| **Celebrate Success** | Celebrate contribution and success of all stakeholders, is genuine while appreciating and communicates contributions and wins of team members to others |

KPIT is profoundly dedicated to ESG (Environment, Social, Governance) principles, which are integral to our strategic vision of fostering a cleaner, smarter, and safer world. Our corporate ethos underscores the importance of conducting business with the utmost ethical standards, operational efficiency, and transparency, thereby fulfilling our fiduciary responsibilities to stakeholders and bolstering investor confidence. This ethos is predicated on the following tenets:

1. Harmonizing economic and social objectives.
2. Adhering to pertinent legislation and conforming to globally recognized corporate governance practices.

## Corporate Governance (Contd.)

3. Upholding policies centered on environmental impact mitigation, resource conservation, and climate protection, such as the Environment, Occupational Health and Safety Policy, and the Vendor Code of Conduct.
4. Embedding sustainability considerations into business operations to generate a positive societal and environmental impact.
5. Ensuring equitable treatment and safeguarding the rights of shareholders.
6. Instituting a comprehensive enterprise risk management framework and implementing risk mitigation strategies.
7. Preserving the integrity of financial reporting and ensuring the timeliness of disclosures.
8. Maintaining the independence of auditors.
9. Fostering an ethical culture both within and beyond the organization.
10. Ensuring transparency in the Board's operations and practices.

We safeguard shareholders' rights by disseminating timely and adequate information, facilitating effective participation in pivotal corporate decisions and addressing shareholder grievances. This ensures equitable treatment of all shareholders, including minority and foreign stakeholders. We strive to provide timely and precise disclosure on significant matters, encompassing financial performance and governance.

We rigorously adhere to prescribed accounting standards in the preparation of financial statements, considering stakeholders' interests, and conducting annual audits by independent and qualified auditors. For ESG attributes, independent reasonable assurance is also being sought. Investor updates and earnings call transcripts are systematically uploaded on our website quarterly, with additional updates provided as circumstances necessitate.

The Board of Directors undertakes periodic reviews of the company's corporate strategies and annual budgets, and is actively engaged in setting, implementing, and monitoring strategic objectives to ensure sustained organizational performance and governance. It diligently oversees the Company's governance practices, ensures transparent Board processes, appoints and compensates key executives, and monitors their performance. The Board is committed to maintaining 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 fourteen Directors as on March 31, 2025, one is Non-Executive Chairman, four are Executive Directors and nine are Independent Directors. The Board Members have diverse backgrounds, possess rich experience & expertise in various industries such as automotive, electronics, international geopolitical & geoeconomic aspects, research, go-to-market strategy, risk management strategies and finance. 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.





## Corporate Governance (Contd.)

**Table 1: The composition of the Board and the number of directorships held by them as on March 31, 2025.**

| 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 | | No. of Board meetings held during the tenure of each Director | No. of Board meetings attended | Attendance at the last AGM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 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 | 6 | 6 | Yes |
| 2 | Mr. Kishor Patil, CEO & Managing Director | Executive | None | 1 | 1 | Nil | Nil | Nil | 6 | 6 | Yes |
| 3 | Mr. Sachin Tikekar, President & Joint Managing Director | Executive | None | 1 | Nil | Nil | Nil | Nil | 6 | 6 | Yes |
| 4 | Mr. Anup Sable, CTO & Whole-time Director | Executive | None | 1 | 1 | Nil | Nil | Nil | 6 | 6 | Yes |
| 5 | Mr. Chinmay Pandit, Whole-time Director, Head of Geography (Americas) & CRO | Executive | Relative of Mr. S. B. (Ravi) Pandit, Chairman of the Board | 1 | Nil | Nil | The Hi-Tech Gears Limited | Independent Director | 6 | 6 | Yes |
| | | | | | | | Everest Industries Limited | Independent Director | | | |
| | | | | | | | India Nippon Electricals Limited | Independent Director | | | |
| | | | | | | | Endurance Technologies Limited | Independent Director | | | |
| 6 | Mr. Anant Talaulicar | Independent | None | 8 | 2 | 2 | MTAR Technologies Limited | Independent Director | 6 | 6 | Yes |
| | | | | | | | Gabriel India Limited | Independent Director | | | |
| 7 | Mr. B V R Subbu | Independent | None | 3 | 2 | 2 | Nil | Nil | 6 | 6 | Yes |
| 8 | Prof. Alberto Sangiovanni Vincentelli | Independent | None | 1 | Nil | Nil | Nuvoco Vistas Corporation Limited | Independent Director | 6 | 6 | Yes |
| | | | | | | | Indusind Bank Limited | Independent Director | | | |
| 9 | Ms. Bhavna Doshi | Independent | None | 7 | 3 | 5 | Sun Pharma Advanced Research Company Limited | Independent Director | 6 | 6 | Yes |
| | | | | | | | The Great Eastern Shipping Company Limited | Independent Director | | | |
| | | | | | | | Alkyl Amines Chemicals Limited | Independent Director | | | |
| 10 | Prof. Rajiv Lal | Independent | None | 1 | Nil | Nil | Nil | Nil | 6 | 6 | No |
| 11 | Mr. Srinath Batni | Independent | None | 1 | 1 | Nil | Nil | Nil | 6 | 6 | Yes |

## 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 | | No. of Board meetings held during the tenure of each Director | No. of Board meetings attended | Attendance at the last AGM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Name of listed entity | Category of directorship | | | |
| 12 | Mr. Vijay Gokhale^ | Independent | None | 3 | 3 | Nil | Emcure Pharmaceuticals Limited | Independent Director | 3 | 3 | NA |
| | | | | | | | Zuventus Healthcare Limited | Independent Director | | | |
| 13 | Mr. Ramesh Raskar* | Independent | None | 1 | Nil | Nil | Nil | | 2 | 2 | NA |
| 14 | Mr. Nishant Batra* | Independent | None | 1 | Nil | Nil | Nil | | 2 | 2 | NA |

# Including directorship of KPIT Technologies Limited.

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

^ Appointed with effect from October 23, 2024.

* Appointed with effect from January 29, 2025.





## Corporate Governance (Contd.)

### 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 list of expertise/core skills/competencies identified by the Board of Directors is detailed in Table 2.

**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 | √ | - | √ | √ | - | √ |
| 12 | Mr. Vijay Gokhale^ | √ | - | √ | √ | - | √ |
| 13 | Mr. Ramesh Raskar* | √ | √ | √ | √ | - | - |
| 14 | Mr. Nishant Batra* | √ | √ | √ | √ | - | - |

^ Appointed with effect from October 23, 2024.

* Appointed with effect from January 29, 2025.

### 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,

## Corporate Governance (Contd.)

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;

(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; and

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 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.

### 6. Separate meeting of the Independent Directors

During FY 2024-25, a separate meeting of the Independent Directors of the Company was held on February 28, 2025.

### 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, practices & offerings, technology, vision & 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 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 2024 and February 2025. The details of such familiarization programs are uploaded on the website of the Company (https://www.kpit.com/investor-gov/).

During the year, various sessions by Internal and external speakers were conducted to provide an update about the Company and industry practices. Further, at Board meeting detailed business presentations provide Directors with insights into the company's operations. 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 Mr. Kishor Patil is the Chief Executive Officer ("CEO") & Managing Director, Mr. Sachin Tikekar is a President & Joint Managing Director, 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** is the Co-founder, CEO & Managing Director of KPIT, and is responsible for the overall management and strategic direction of the organization. He leads long-range planning, mergers and acquisitions, business performance reviews, and oversees all client-facing functions, delivery practices, and enabling operations to drive organizational effectiveness. Since co-founding KPIT in 1990, Mr. Patil has been pivotal in driving the company's transformation. He led the strategic merger-demerger in 2018, establishing the new KPIT with a focused vision and mission. His leadership has contributed significantly to KPIT's emergence as a leading partner for global OEMs in automotive software, driving its market capitalization to over USD 5 billion. Mr. Patil champions a culture of excellence and invests in leadership development across the organization. He is deeply passionate about leveraging technology to address business challenges and broader societal needs. His commitment to sustainability and inclusive innovation is reflected in KPIT's vision and CSR initiatives. Beyond KPIT, he plays a key role in shaping India's Engineering R&D sector, serving as Chair of the NASSCOM ER&D Council and a Member of its Executive Council.

**Mr. Sachin Tikekar**, President, Joint Managing Director and Member of the Board, is a core member of KPIT's founding team. Over the years, he has played a strategic role in shaping KPIT's global growth and client-centric approach. In his current role, Mr. Tikekar is responsible for fostering long-term strategic relationships with clients and alliance partners worldwide. He has led the development of KPIT's focused OEM engagement strategy, which has significantly contributed to the company's industry-leading growth and brand equity across stakeholders—clients, talent, and investors. He is leading KPIT's special focus and accelerated efforts in the Truck and Off-highway segments, driving deeper strategic alignment, solution development, and client partnerships in these high-potential verticals. As executive sponsor, he also oversees KPIT operations across 17 countries and more than 25 global locations including employee experience, IT and infrastructure. His professional interests lie at the intersection of

## Corporate Governance (Contd.)

strategy, growth, and sustainability, aligning closely with KPIT's vision of contributing to a cleaner, smarter, and safer mobility ecosystem.

**Mr. Anup Sable** is the Chief Technology Officer and Board Member of the Company. In his current role, he leads the company's technology vision and innovation agenda.

He drives the future technology roadmap aligned with evolving client priorities and the rapidly transforming mobility landscape, with a strong emphasis on AI. He has also recently established a CTO-AI function to accelerate AI-led transformation across KPIT's offerings. He is also responsible for incubation and growth of Middleware, Vehicle Networks and Virtualization practices which are key domains for future growth and enhance KPIT's value as a trusted systems and software integration partner to the mobility industry. He also serves as an executive sponsor to many of the key client accounts of the Company.

**Mr. Chinmay Pandit,** Whole-time Director, Member of Executive Board and President – Americas. He is also Chief Risk Officer (CRO) of the Company. As Americas Geo Head, he is responsible for the overall strategy, growth plan and profitability for the Company in the Americas. This includes executive connect with key clients' leadership, business development & operations, people development and the branding & positioning of the organization.

In his additional role as the Chief Risk Officer, he is responsible for oversight and management of the company's risk profile. He is accountable for maintaining a robust risk management framework aligned with the company's business and continuously monitors & adapts risk strategies to reflect the changing business environment. He ensures the diligent application of this framework for further reporting to the CEO and the Board.

### 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.

Pursuant to Regulation 17(1D) of SEBI LODR Regulations, with effect from 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 27, 2024, 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.

Mr. Vijay Gokhale was appointed as an Independent Director of the Company with effect from October 23, 2024, which was approved by the shareholders via Postal Ballot concluded on December 20, 2024. Mr. Ramesh Raskar & Mr. Nishant Batra were appointed as an Independent Director of the Company with effect from January 29, 2025, which was approved by the shareholders via Postal Ballot concluded on March 14, 2025.

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.

Accordingly, Mr. Anup Sable and Mr. Chinmay Pandit retire at the ensuing Annual General Meeting and being eligible, seek 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 matters which require the approval of the Board from various functions of the Company, well in advance, so that they can be included in the Board meeting agenda, if required.





## Corporate Governance (Contd.)

All material information is incorporated in the agenda papers to facilitate 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
  - 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;
- 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, 2025.

## Corporate Governance (Contd.)

Details of compensation paid/payable to Non-Executive Director 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, Six Board meetings were held on the following dates:

April 29, 2024, July 24, 2024, August 9, 2024, October 23, 2024, January 29, 2025, and February 28, 2025.

#### 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.

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





Corporate Governance (Contd.)

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); and
27. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

### 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. Vijay Gokhale was appointed as member with effect from February 28, 2025, Mr. Anant Talaulicar continues as the Chairman of the Committee, Prof. Alberto Sangiovanni Vincentelli, Mr. S. B. (Ravi) Pandit, Prof. Rajiv Lal, Mr. Srinath Batni continue as other members of the Nomination and Remuneration (HR) Committee.





## Corporate Governance (Contd.)

#### 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 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; and
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.

### 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. Mr. B V R Subbu continues as the Chairman of the Committee. Mr. Kishor Patil & Mr. Anup Sable continue as other members of the Committee. The details of complaints received, resolved 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.

## Corporate Governance (Contd.)

### 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, Mr. S. B. (Ravi) Pandit continue as members & Mr. Anant Talaulicar continues as chairman of the Committee.

#### Role and objectives

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

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

### E. ENTERPRISE RISK MANAGEMENT COMMITTEE

#### Composition

The Enterprise Risk Management Committee consists of four 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 Chairman of the committee with effect from February 28, 2025. Mr. S. B. (Ravi) Pandit, Ms. Bhavna Doshi, Mr. Anant Talaulicar, Mr. B V R Subbu and Mr. Chinmay Pandit continue as other members of the Committee, and Mr. Chinmay Pandit shoulders the additional responsibility as Chief Risk Officer. 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; and
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.

**Table 3 : Number of Committee Meetings held & Attendance - at a glance**

| | Name of the Committee | Audit Committee | Nomination and Remuneration (HR) Committee | Stakeholders Relationship Committee | Corporate Social Responsibility (CSR) Committee | Enterprise Risk Management Committee |
|---|---|---|---|---|---|---|
| | **No of meetings held** | 4 | 6 | 2 | 2 | 3 |
| | **Date of meetings** | April 26, 2024, July 23, 2024, October 22, 2024, and January 28, 2025 | April 22, 2024, April 26, 2024, July 23, 2024, September 25, 2024, October 22, 2024, and January 28, 2025 | July 23, 2024, and January 28, 2025 | April 26, 2024, and October 22, 2024 | April 26, 2024, August 09, 2024, and January 28, 2025 |





## Corporate Governance (Contd.)

| | Name of the Committee | Audit Committee | Nomination and Remuneration (HR) Committee | Stakeholders Relationship Committee | Corporate Social Responsibility (CSR) Committee | Enterprise Risk Management Committee |
|---|---|---|---|---|---|---|
| | **Chairperson of Committee** | Ms. Bhavna Doshi | Mr. Anant Talaulicar | Mr. B V R Subbu | Mr. Anant Talaulicar | Mr. Srinath Batni, (w.e.f. February 28, 2025) |
| **Sl. No** | **Name of Directors** | **No. of meetings attended** | | | | |
| 1 | Mr. Anant Talaulicar | 4 | 6 | - | 2 | 3 |
| 2 | Mr. B V R Subbu | 4 | - | 2 | - | 3 |
| 3 | Prof. Alberto Sangiovanni Vincentelli | - | 5 | - | - | - |
| 4 | Ms. Bhavna Doshi | 4 | - | - | - | 3 |
| 5 | Prof. Rajiv Lal | - | 6 | - | - | - |
| 6 | Mr. Srinath Batni | - | 6 | - | - | 3 |
| 7 | Mr. Vijay Gokhale^ | - | NA# | - | - | - |
| 8 | Mr. Ramesh Raskar$ | - | - | - | - | - |
| 9 | Mr. Nishant Batra$ | - | - | - | - | - |
| 10 | Mr. S. B. (Ravi) Pandit | - | 6 | - | 2 | 3 |
| 11 | Mr. Kishor Patil | - | - | 1 | - | - |
| 12 | Mr. Sachin Tikekar | - | - | - | 2 | - |
| 13 | Mr. Anup Sable | - | - | 2 | - | - |
| 14 | Mr. Chinmay Pandit | - | - | - | - | 3 |

# Member of Committee w.e.f. February 28, 2025

^ Appointed with effect from October 23, 2024

$ Appointed with effect from January 29, 2025.

### 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;
- 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) and Technica Engineering GmbH (Technica Germany), are Material Subsidiaries of the Company for FY 2024-25.

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.

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/investor-gov/). 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/investor-gov/). The Related Party Transaction are placed before the Board for their approval / noting as the case may be. There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors, management, subsidiary, or relatives. Details of 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 a Policy for the Determination of Materiality of Events and Information, which is required to be disclosed to the stock exchanges, is also available at https://www.kpit.com/investor-gov/

### 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 B S R & 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 for FY 2024-25, on a consolidated basis are given below:

(₹ In million)

| Sr. No. | Particulars | Amount |
|---|---|---|
| 1 | Audit fees | 10.89 |
| 2 | Limited review of quarterly results | 2.10 |
| 3 | Fees for other services | 1.09 |
| 4 | Out of pocket expenses reimbursed | 0.78 |
| | **Total** | 14.86 |

### 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) Committee, the Board of Directors has approved the remuneration payable to Executive and Non-Executive Director for FY 2024-25.

The details of remuneration paid to the Executive Directors of the Company are given in Table 4 below:







**Table 4: Remuneration paid to Executive Directors in FY 2024-25**

(Amount in ₹ million)

| Name of Director/ Remuneration Details | Mr. Kishor Patil<br>CEO & Managing Director | Mr. Sachin Tikekar#<br>President & Joint Managing Director | Mr. Chinmay Pandit*<br>Whole-time Director, Head of Geography (Americas) & CRO | Mr. Anup Sable<br>CTO & Whole-time Director |
|---|---|---|---|---|
| Salary | 28.57 | 27.27 | 32.60 | 9.46 |
| PF/Social Security Contributions | 3.36 | 2.42 | 0.25 | 0.46 |
| Variable Performance Incentive | 36.96 | 32.29 | 10.21 | 4.97 |
| Perquisites | 0.03 | 0.66 | 0.72 | 0.03 |
| Bonus | - | - | 19.46 | 2.90 |
| Notice Period | 6 months | 6 months | 6 months | 6 months |
| Severance fees | Notice Pay | Notice Pay | Notice Pay | Notice Pay |
| **Total** | **68.92** | **62.64** | **63.24** | **17.82** |

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

* Mr. Chinmay Pandit, being deputed on secondment in the USA received remuneration from KPIT USA in USD including amount received towards VPI. A gross Bonus of USD 0.10 million, pertaining to FY 2023–24, was disbursed in FY 2024–25 is also included.

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 Director 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 ₹ 61.02 million (previous year ₹ 44.39 million) to the Non-Executive Director of the Company for the financial year 2024-25. 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 2024-25 are given in Table 5.

**Table 5: Remuneration to Non-Executive Independent Directors**

(Amount in ₹ million)

| Sr. No. | Name of Director | Commission | Sitting fees |
|---|---|---|---|
| 1. | Mr. S. B (Ravi) Pandit | 17.15 | 0.61 |
| 2. | Mr. Anant Talaulicar | 8.11 | 0.68 |
| 3. | Mr. B V R Subbu | 6.80 | 0.44 |
| 4. | Prof. Alberto Sangiovanni Vincentelli | 6.06 | 0.30 |
| 5. | Ms. Bhavna Doshi | 6.83 | 0.42 |
| 6. | Prof. Rajiv Lal | 3.60 | 0.33 |

## Corporate Governance (Contd.)

(Amount in ₹ million)

| Sr. No. | Name of Director | Commission | Sitting fees |
|---|---|---|---|
| 7. | Mr. Srinath Batni | 6.40 | 0.41 |
| 8. | Mr. Vijay Gokhale^ | 2.60 | 0.09 |
| 9. | Mr. Ramesh Raskar* | 1.74 | 0.06 |
| 10. | Mr. Nishant Batra* | 1.74 | 0.06 |
| | **TOTAL** | 61.02 | 3.40 |

^Appointed with effect from October 23, 2024

*Appointed with effect from January 29, 2025

**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 Director for FY 2024-25 is ₹ 61.02 Million. This is distributed among the Non-Executive Director 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 and for overseas subsidiaries in UK, Germany, USA, Japan confirming the 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 ceased as Senior Management Personnel with effect from October 10, 2024. Further, Mr. Shashwat Mitra ceased to be Senior Management Personnel & Mr. Rajesh Kumar Singh has been appointed as Senior Management Personnel with effect from November 05, 2024. Mr. Ashish Malhotra appointed as General Counsel & Company Secretary with effect from April 28, 2025, Mr. Rajesh Janwadkar, Mr. Pankaj Sathe, Mr. Pushpahas Joshi, Ms. Priyamvada Hardikar, Mr. Mohit Kochar, and Ms. Nida Deshpande continue as Senior Management Personnel.

### 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.





Corporate Governance (Contd.)

### 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 of SEBI LODR, 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

#### i. Disclosure regarding appointment or reappointment of Directors

According to the provisions of the Companies Act, 2013, Mr. Anup Sable and Mr. Chinmay Pandit retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment. The Board has recommended their reappointment. A brief profile of Mr. Anup Sable and Mr. Chinmay Pandit is provided in the 'Additional Shareholders Information' section in this Annual Report.

#### ii. Communication to shareholders

The Company's quarter and year-end financial results as on March 31, 2025, investor updates and other investor related information are posted on the Company's website (https://www.kpit.com/investor-gov/). The financial results relating to the quarter and year ended March 31, 2025, 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. The 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, 2024, to March 31, 2025, are given in the 'Additional Shareholders Information' section in this Annual Report.

#### iii. General body meetings

**Table 6: 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 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.<br>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.<br>3. To approve the 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan").<br>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").<br>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").<br>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"). |

## Corporate Governance (Contd.)

| Date of the meeting (year) | Venue of the meeting | Time of the meeting | Special Resolution Passed |
|---|---|---|---|
| | | | 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")<br>8. To approve amendments in 'KPIT Technologies Limited – Employee Stock Option Scheme 2019A' ("ESOS 2019A").<br>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.<br>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.<br>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.<br>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. |
| August 27, 2024 (2023-24) | through Video conference (VC) / Another Audio-Visual Means (OAVM) | 10:30 A.M. | To approve the continuation of Mr. S. B. (Ravi) Pandit (DIN: 00075861) 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. |

**iv. Special Resolutions through Postal Ballot – During the year, two postal ballots were conducted. The details of the resolutions passed are as follows**

| Date of Passing the Resolution via postal Ballot | Special Resolution Passed |
|---|---|
| **December 20, 2024** | 1. To approve the appointment of Mr. Vijay Keshav Gokhale (DIN: 09134089), as an Independent Director of the Company for a period of 3 (three) years with effect from October 23, 2024, to October 22, 2027.<br>2. To consider and approve raising of capital through issuance of equity shares or other eligible convertible securities for an amount up to INR 2,880 crores. |
| **March 14, 2025** | 1. To approve the appointment of Mr. Ramesh Raskar (DIN: 10870313), as an Independent Director of the Company for a period of 3 (Three) years with effect from January 29, 2025, to January 28, 2028.<br>2. To approve the appointment of Mr. Nishant Batra (DIN: 10913778), as an Independent Director of the Company for a period of 3 (Three) years with effect from January 29, 2025, to January 28, 2028. |

**v.** The details of Investors'/Shareholders' Grievance Committee are given in 'Additional Shareholders Information' section in this Report.

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





## Corporate Governance (Contd.)

**vii.** 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/investor-gov/).

### 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, 2024, to March 31, 2025.

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/0155 and dated November 11, 2024, 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. Independent reasonable assurance has been carried out on BRSR Core KPIs. For further details refer Reasonable Assurance Report on page no. 172.

### 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, 2025.

Pune
April 28, 2025

**Kishor Patil**
CEO & Managing Director

## 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 2025, 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 2025.

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

**Shiraz Vastani**
Partner
Membership No: 103334
UDIN: 25103334BMOVUN2520

Place: Pune
Date: 28 April 2025







## 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 01, 2024, to March 31, 2025, 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 01, 2024, to March 31, 2025, 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 01, 2024, to March 31, 2025.

   (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
April 28, 2025

**Kishor Patil**
CEO & Managing Director

**Priyamvada Hardikar**
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 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in the Company |
|---|---|---|---|
| 1. | Mr. S. B. (Ravi) Pandit | 00075861 | 08 January 2018 |
| 2. | Mr. Kishor Parshuram Patil | 00076190 | 08 January 2018 |
| 3. | Mr. Sachin D. Tikekar | 02918460 | 08 January 2018 |
| 4. | Mr. Anant Jaivant Talaulicar | 00031051 | 16 January 2019 |
| 5. | Mr. Subbu Venkata Rama Behara | 00289721 | 16 January 2019 |
| 6. | Mr. Srinath Batni | 00041394 | 25 July 2023 |
| 7. | Prof. Alberto Luigi Sangiovanni Vincentelli | 05260121 | 16 January 2019 |
| 8. | Ms. Bhavna Doshi | 00400508 | 15 September 2021 |
| 9. | Prof. Rajiv Lal | 09360601 | 01 November 2021 |
| 10. | Mr. Anup Sable | 00940115 | 22 December 2021 |
| 11. | Mr. Chinmay Shashishekhar Pandit | 07109290 | 26 July 2022 |
| 12. | Mr. Vijay Keshav Gokhale | 09134089 | 23 October 2024 |
| 13. | Mr. Nishant Batra | 10913778 | 29 January 2025 |
| 14. | Mr. Ramesh Namdeo Raskar | 10870313 | 29 January 2025 |

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: F001370G000217399
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: 28 April 2025





# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR) 2024-25

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| **Section A** | **General disclosures**<br>Section A provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, CSR and transparency. |
| **Section B** | **Management and process disclosures**<br>Section B covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. |
| **Section C** | **Principle-wise performance disclosures**<br>Section C provides indicator-wise disclosures mapped to the nine principles of NGRBC which are listed at the start of Section B. |
| | **Principle 1** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable |
| | **Principle 2** Businesses should provide goods and services in a manner that is sustainable and safe |
| | **Principle 3** Businesses should respect and promote the well-being of all employees, including those in their value chains |
| | **Principle 4** Businesses should respect the interests of and be responsive to all their stakeholders |
| | **Principle 5** Businesses should respect and promote human rights |
| | **Principle 6** Businesses should respect and make efforts to protect and restore the environment |
| | **Principle 7** Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent |
| | **Principle 8** Businesses should promote inclusive growth and equitable development |
| | **Principle 9** Businesses should engage with and provide value to their consumers in a responsible manner |

## Business Responsibility & Sustainability Report (Contd.)

KPIT Technologies Limited (hereinafter referred to as 'the Company' or 'KPIT') is a leading independent software development and integration partner, dedicated to advancing mobility transitions towards a cleaner, smarter, and safer future. Comprising a workforce of over 13,000 specialized professionals globally, the Company focuses on embedded software, artificial intelligence, and digital solutions. It accelerates clients' adoption of next-generation technologies pivotal to future mobility frameworks. With engineering centers strategically located in Europe, the United States, Brazil, Japan, China, Thailand, and India, the Company collaborates with leading entities in the automotive and mobility sectors, positioning itself at the forefront of ecosystem transformation.

### SECTION A: GENERAL DISCLOSURES

KPIT is pleased to present the third edition of its Business Responsibility & Sustainability Report (BRSR) for the financial year ended March 31, 2025. This report has been prepared in accordance with the National Guidelines on Responsible Business Conduct ("NGRBC") and comprehensively includes both financial and non-financial disclosures, emphasizing Environment, Social, and Governance ("ESG") factors, as mandated by the Securities and Exchange Board of India ("SEBI"). The Company has commissioned an independent assurance provider to conduct reasonable assurance on BRSR Core KPIs as per SEBIs Assessment or Assurance requirement. The detailed reasonable assurance report can be found on page no.XX.

The Company's business activities are strategically aligned with the United Nations Sustainable Development Goals ("UNSDGs"). To understand the Company's impact on environment, KPIT has initiated a comprehensive greenhouse gas ("GHG") inventorization for carbon accounting and is in the process of identifying decarbonization levers to generate a greater positive impact on the environment and society.

To further promote shared value creation through sustainable growth, this report provides a comprehensive disclosure of KPIT's initiatives and performance concerning business, environmental, social, and governance aspects. The Company's ongoing efforts to enhance its sustainability disclosures reflect its strategic approach to managing external environmental risks and generating enduring value for its stakeholders.

### I. Details of the Listed Entity

| | | |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L74999PN2018PLC174192 |
| 2. | Name of the Listed Entity | 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 2024-25 (1st April 2024 -31st March 2025) |
| 10. | Name of the Stock Exchange(s) where shares are listed | BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) |
| 11. | Paid-up capital | ₹ 274.143 Crores |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Sachin Tikekar<br>President & Joint Managing Director<br><br>Ms. Manasi Patil<br>Director – Human Resources<br><br>Mr. Ashish Malhotra<br>General Counsel & Company Secretary<br>+91 20 6770 6000<br>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 assessment or assurance provider | C N K & Associates LLP<br>(Firm registration no. 101961 W/W – 100036) |
| 15. | Type of assessment or assurance obtained | Reasonable assurance on BRSR Core KPIs. For further details refer Reasonable Assurance Report on page no. 172. |

### 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 | 97.06% |

**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 | 97.06% |
| 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 | Not Applicable | 9 | 9 |
| International | Not Applicable | 28 | 28 |

**19. Markets served by the entity:**

**a. Number of locations**

| Locations | Number |
|---|---|
| National (No. of states) | Pan India |
| International (No. of countries) | 15 |

Note - KPIT is serving clients through offices in Pune, Bengaluru, Kochi, Chennai.

KPIT is serving clients across 15 countries – the USA, Brazil, Germany, France, United Kingdom, Sweden, Spain, Netherlands, 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?**

91.00%

**c. A brief on types of customers:**

KPIT Technologies is a leading independent software development and integration partner, dedicated to transforming the vision of software-defined vehicles into reality. Serving a diverse clientele that includes prominent mobility and automotive manufacturers such as Original Equipment Manufacturers (OEMs), suppliers, and ecosystem players worldwide, KPIT is at the forefront of automotive innovation.

## Business Responsibility & Sustainability Report (Contd.)

Collaborating with automotive giants, KPIT delivers cutting-edge technology solutions and services across various domains including Electric and Conventional Powertrain, Advanced Driver Assistance Systems (ADAS) & Autonomous Driving, Digital and Connected Vehicles, Vehicle Networks, AUTOSAR & Middleware, New-age Vehicle Engineering and Design, as well as Vehicle Diagnostics and Aftersales services. We are in process to operationalize, commercialize and extend KPIT's breakthrough Sodium-ion Technology into mobility and energy storage applications & sustainable electric commercial vehicles (e-CVs).

## IV. Employees

### 20. Details as at the end of Financial Year:

**a. Employees and workers (including differently abled):**

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| **Employees** | | | | | | |
| 1. | Permanent (D) | 9,418 | 6,383 | 68% | 3,035 | 32% |
| 2. | Other than permanent (E) | 770 | 554 | 72% | 216 | 28% |
| 3. | **Total employees (D + E)** | **10,188** | **6,937** | **68%** | **3,251** | **32%** |
| **Workers** | | | | | | |
| 4. | Permanent (F) | - | - | 0% | - | 0% |
| 5. | Other than permanent (G) | 278 | 215 | 77% | 63 | 23% |
| 6. | **Total workers (F + G)** | **278** | **215** | **77%** | **63** | **23%** |

**b. Differently abled employees and workers:**

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| **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 | 14* | 1 | 7.14% |
| Key Management Personnel | 3** | 1 | 33.33% |

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

**Mr. Ashish Malhotra is appointed as General Counsel & Company Secretary w.e.f April 28, 2025.

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

| | FY 2024-25 (Turnover rate in current FY) | | | FY 2023-24 (Turnover rate in previous FY) | | | FY 2022-23 (Turnover rate in the year prior to the previous FY) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent employee | 23% | 17% | 20% | 25% | 21% | 24% | 30% | 23% | 28% |
| 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 | 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 | 100% | No |
| 12 | PathPartner Technology Inc. | Wholly owned Subsidiary of PathPartner Technology Private Limited | 100% | No |
| 13 | SOMIT Solutions Limited | Wholly owned Subsidiary of KPIT Technologies (UK) Limited | 100% | No |
| 14 | SOMIT Solutions Inc. | Wholly owned Subsidiary of Somit Solutions Limited | 100% | 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) |
|---|---|---|---|---|
| 15 | Technica Engineering Inc. | Wholly owned subsidiary of KPIT Technologies Inc. | 100% | No |
| 16 | Technica Engineering GmbH | Wholly owned subsidiary of KPIT Technologies GmbH | 100% | No |
| 17 | Technica Electronics Barcelona S.L. | Wholly owned subsidiary of KPIT Technologies GmbH | 100% | No |
| 18 | Technica Engineering Spain S.L. | Wholly owned subsidiary of KPIT Technologies GmbH | 100% | No |
| 19 | KPIT Technologies S.A.S. | Wholly owned Subsidiary of KPIT Technologies Netherlands B. V. | 100% | No |
| 20 | Qorix GmbH | Joint Venture | 44.44% | No |
| 21 | Qorix India Private Limited | Subsidiary of Joint Venture | 44.44% | No |
| 22 | N-Dream AG | Associate | 26% | No |
| 23 | KPIT Technologies AB | Subsidiary of KPIT Technologies (UK) Limited | 100% | No |
| 24 | KPIT engineering SUARL | Wholly owned subsidiary of KPIT Technologies GmbH | 100% | 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.





## Business Responsibility & Sustainability Report (Contd.)

**VI. CSR details**

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

**(ii) Turnover (in ₹)** - 25,639.34 million

**(iii) Net worth (in ₹)** - 19,518.60 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:**

| 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 2024-25 (Current Financial Year) Number of complaints filed during the year | FY 2024-25 (Current Financial Year) Number of complaints pending resolution at close of the year | FY 2024-25 (Current Financial Year) Remarks | FY 2023-24 (Previous Financial Year) Number of complaints filed during the year | FY 2023-24 (Previous Financial Year) Number of complaints pending resolution at close of the year | FY 2023-24 (Previous Financial Year) Remarks |
|---|---|---|---|---|---|---|---|
| Shareholders | Yes, Shareholders may register their grievances through Smart Online Dispute Resolution Portal link (https://smartodr.in/login). | 1 | - | All the complaints registered on the exchange were resolved during the FY 2024-25 | 1 | - | All the complaints registered on the exchange were resolved during the FY 2023-24 |
| *Communities | KPIT has a CSR Policy for the communities. It is a guiding document for the implementation of CSR projects with effective monitoring and management, achieved by engaging with the communities and implementation partners such as NGOs. We have set up a process with NGOs to collect grievances from the communities / stakeholders of the respective projects. At the end of the financial year each partner NGO submits grievance report to KPIT. | - | - | NA | - | - | NA |

| 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 2024-25 (Current Financial Year) | | | FY 2023-24 (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 |
| Investors (other than shareholders) | Yes, Investors may register their grievances through Smart Online Dispute Resolution Portal link. | - | - | - | - | - | NA |
| Customers ** | Yes, Grievances are addressed at project level (more information provided in principle 9) | - | - | - | - | - | NA |
| Employees and workers | Yes, KPIT has an internal ASSIST Portal to support and redress any grievances from employees. 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. | 12 | - | All the complaints are resolved. | 13 | - | All the complaints are resolved. |
| 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. | - | - | NA | - | - | NA |

* 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 | The Company acknowledges that energy consumption from computer systems, servers, air conditioning, and utilities contributes to carbon emissions. Transitioning to renewable energy sources and investing in energy-efficient technologies mitigates operational risks associated with carbon-intensive energy use, including regulatory compliance and escalating energy costs.<br><br>KPIT prioritizes energy and emission optimization to substantially reduce its carbon footprint. Investments in energy-efficient systems and renewable energy solutions align with environmental sustainability efforts and enhance competitiveness in a 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 poses risks, potentially limiting access to essential water resources needed for cooling systems, facility maintenance, and other operational processes, thereby disrupting daily activities and impacting productivity. Water scarcity may also affect supply chains, particularly if suppliers operate in regions facing water stress, leading to delays or shortages in critical supplies. KPIT has implemented comprehensive water management strategies to address water scarcity risks, including wastewater treatment and reuse, water conservation measures, rainwater harvesting, and waste management. | KPIT has implemented a comprehensive water management program to address water scarcity risks:<br>**Wastewater Treatment and Reuse:** A sewage treatment plant enables 80% of used water to be reused for flushing and gardening purposes.<br>**Water Conservation Measures:** Drip irrigation systems in gardens, optimized water line pressure, and prompt leak repair minimize freshwater consumption.<br>**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.<br>**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 | Risk | 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.<br>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. Additionally, KPIT has initiated GHG inventorization and is developing Decarbonization strategies. | Negative Impact |
| | | Opportunity | 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. | Positive Impact |
| 4 | Sustainable Procurement | Risk | Sustainable supply chain practices mitigate ESG-related risks that threaten business continuity, such as disruptions from environmental disasters, labor violations, or resource scarcity. Proactively managing these risks through sustainable procurement enhances resilience and reduces 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 |

| 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) |
|---|---|---|---|---|---|
| | | 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 leverage procurement as an opportunity to drive positive change, sustainably. | Positive Impact |
| 5 | Talent Attraction & Retention | Risk | 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) is responsible for hiring the most suitable candidates to provide the best products and services to clients across the industry. | Negative Impact |
| | | Opportunity | 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. | 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) |
|---|---|---|---|---|---|
| 6 | Employee Wellbeing | Opportunity | Focusing on employee wellness fosters a supportive culture that enhances job satisfaction and productivity at KPIT. This approach reduces turnover, manages stress, and creates a positive work environment, leading to a healthier, more engaged workforce. The result is improved customer relationships through better service and responsiveness, ultimately boosting profitability and business success. | Not Applicable | Positive Impact |
| 7 | Cybersecurity | 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.<br><br>Data privacy is paramount for maintaining competitiveness and enhancing KPIT's brand reputation. | KPIT prioritizes cybersecurity through a comprehensive program that includes:<br><br>**Investment and Monitoring:** KPIT invests in cybersecurity resources and monitors for emerging threats.<br><br>**Data Security Awareness:** The Company promotes data security awareness among employees.<br><br>**Data Protection Policies:** KPIT regularly reviews and updates its data protection policies.<br><br>**Incident Response:** Established systems and processes are in place to respond to security incidents effectively.<br><br>KPIT adheres to recognized cybersecurity standards like ISO/IEC 27001 | 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) |
|---|---|---|---|---|---|
| | | | | **Trusted Information Security Assessment Exchange (TISAX) Certification:** This certification demonstrates compliance with the European automotive industry's information security standards.<br><br>**Board Oversight:** The KPIT Board receives regular updates on the Company's cybersecurity posture. | |
| 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.<br><br>Focusing on customer-centric solutions and offerings is imperative to ensure customer satisfaction and client retention. | For KPIT, any unrealized opportunity is viewed as a potential risk. To identify and capitalize on opportunities related to sustainability, KPIT engages with clients through Customer Satisfaction Surveys (CSAT) and takes their feedback into account to deliver effective solutions. Additionally, KPIT's dedicated team collaborates with leaders across various sectors to explore ways to enhance stakeholder value. This is achieved by leveraging KPIT's technological capabilities through initiatives like Zero-Defect Delivery (ZDD), cost management, project management effectiveness, responsiveness, and other strategic efforts. | 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) |
|---|---|---|---|---|---|
| 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.<br><br>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 |

## Business Responsibility & Sustainability Report (Contd.)

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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/investor-gov/ | | | | | | |
| 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) | Yes, the policies such as the 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, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Quality Management System (ISO 9001:2015)<br>Business Continuity Management (ISO 22301)<br>Information Security Management (ISO/IEC 27001)<br>ISO14001:2015 Environmental management system<br>ISO 45001:2018 Occupational health and safety management System. | | | | | | | | |
| 5. | | Specific commitments, goals, and targets set by the entity with defined timelines, if any. | KPIT has initiated a comprehensive Greenhouse Gas (GHG) inventory assessment for FY 2024-25. As part of its sustainability journey, the Company aims to develop a Decarbonization Roadmap and align with the Science-Based Targets initiative (SBTi) by 2025-26. These efforts reflect a strategic and proactive commitment to mitigating climate change and advancing towards a low-carbon future. | | | | | | | | |
| 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). | At KPIT, we are acutely aware of the significant role we play in shaping a sustainable future. Our unwavering commitment to sustainability is deeply embedded in our operational strategies and long-term vision. We continually strive to balance innovation with environmental responsibility, ensuring our growth benefits both our stakeholders and the planet.<br><br>As part of this commitment, we have initiated a comprehensive Greenhouse Gas (GHG) inventory assessment, showcasing our dedication to understanding and minimizing our environmental impact. Looking ahead, we are excited to embark on developing a Decarbonization Roadmap and aligning our Net Zero goals with the Science-Based Targets initiative (SBTi). This initiative will guide us in setting ambitious yet achievable targets for reducing our carbon footprint.<br><br>On the sustainability front, we are proud to say that in the past year, our 13,000+ employees have taken meaningful steps towards sustainability, from new technology solutions to reducing waste, improving energy efficiency, and participating in green initiatives, under our program EcoVoyage 2030. For the coming year, green coding has been initiated organization wide, which will be followed by impact assessment. We have also initiated conversations with the targeted clients in each geography to identify areas of collaboration for sustainable partnership and its exploration is in progress.<br><br>On the social front, KPIT continues to adapt an inclusive workplace, prioritizing employee well-being, and promoting community engagement initiatives. We firmly believe that our people are our most valuable asset, and their development is integral to our success.<br><br>Together, we are building a sustainable future by aligning our business practices with the needs of our planet and communities. This alignment not only ensures responsible growth but also reinforces KPIT's role as a leader in promoting environmental and social stewardship within the industry. | | | | | | | | |





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| Disclosure Questions | | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Name: Mr. Sachin Tikekar<br>DIN: 02918460<br>Designation: President & Joint Managing Director<br>Telephone Number: +91 20 6770 6000<br>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. | At KPIT, all the sustainability aspects are overseen by the CSR Committee. The 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 |

**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 | KPIT adheres to the standard practice of regularly reviewing its policies, either on a periodic basis or as required. This process is undertaken by the appropriate board committee or designated individuals or groups. During these assessments, the status and implementation of each policy are carefully evaluated, and any necessary adjustments to the policies and procedures are made to ensure their continued effectiveness and alignment with the Company's operational goals. | | | | | | | | | | | | | | | | | |
| 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. | No, KPIT has not carried out independent assessment/ evaluation of the working of its policies by an external agency. However, KPIT does evaluate its policies internally on a regular basis. | | | | | | | | |

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) | | | | | | | | | |

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### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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




KPIT prioritizes operational excellence and sustainable growth, underpinned by ethics and integrity. The Company upholds high business conduct standards across its operations. A robust governance and risk management framework ensures effective oversight. KPIT's Code of Conduct offers clear guidelines, promoting ethical behavior among employees and directors. To support this commitment, KPIT delivers comprehensive training on its Code and corporate policies, equipping employees with the knowledge to mitigate risks and uphold stakeholder trust.

**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 and Key Managerial Personnel | 2 | The Company equips its Board of Directors and Key Managerial Personnel with awareness on aspects related to regulatory ambience, business paradigms, and industry trends through a comprehensive familiarization program. This program covers industry insights, business strategy, core values, and policies on ethics, conflict of interest, and anti-bribery. Key topics include Technology Deep Dive, Client and Market dynamics, Marketing and Branding, and Growth Initiatives. Focus areas additionally encompass Delivery, AD & Powertrain, Middleware & VED, Commercial Vehicles, New Mobility, and Sustainability. Regular sessions on strategy, leadership, competency, and current business trends further enhance their understanding and effectiveness. | 100% |
| Employees other than BoD and KMPs | 7 | 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.<br>• Introduction to Data Protection and Data Security Training (Legal Compliance, Safeguarding Personal Information, Cybersecurity Awareness, Data Breach Prevention, Ethical Considerations)<br>• Legal Contracting Process (Contract Basics, Legal Review Process, Key Points on NDAs, Service Agreements & SOWs, License Agreements, etc., Critical Clauses, Deviations and Approvals Other considerations)<br>• E-Learning Module for environmental and occupational health and safety<br>• Desk Exercises session<br>• Evacuation drill<br>• Training and Awareness sessions on community contribution, customer focus, equal employment opportunities, Non-discrimination and harassment, Prevention of Sexual Harassment<br>• E-learning module on corporate social responsibility | 97.5% |
| Workers | Not Applicable, KPIT does not have permanent workers. | | |

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/ enforcement agencies / judicial institution | Amount (INR) | Brief of the Case | Has an appeal been preferred? (Y/N) |
| Penalty/fine | Nil. there were no instances requiring disclosure based on materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) 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 instances requiring disclosure based on materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. | | | |
| Punishment | | | | |

At KPIT, all Directors, Key Managerial Personnel, and employees adhere to a robust standard of ethical business conduct. As a result, in FY25, the Company faced no monetary or non-monetary fines, penalties, settlements, or





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punitive actions from regulators, law enforcement agencies, or judicial institutions. This underscores KPIT's unwavering commitment to integrity and compliance.

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.**

Yes, KPIT maintains a strict 'Zero Tolerance' policy against corruption and bribery. Its Code of Conduct and Vendor Code of Conduct comprehensively address anti-corruption and anti-bribery measures, unequivocally asserting the Company's non-tolerance for such practices. KPIT 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 or influence business operations. Integrity is at the core of everything KPIT does, reflecting its steadfast commitment to ethical business practices. All policies, including the Code of Conduct, are available at https://www.kpit.com/investor-gov/.

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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Directors | - | - |
| KMPs | - | - |
| Employees | - | - |
| Workers | - | - |

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

| | FY 2024-25 (Current Financial Year) | | FY 2023-24 (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 have been no cases of corruption and conflicts of interest.

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

| | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Number of Days of account Payable | 108.32 | 121.76 |

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.





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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 & investment, with related parties, in the following format:

| Parameters | Metrics | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|---|
| Concentration of purchase* | Purchase from trading houses as % of total purchase | Not Applicable* | 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* | 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) | 47.95% | 3.90% |
| | Sales (Sales to related parties / total sales) | 91.26% | 91.27% |
| | 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) | 87.93% | 95.40% |

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

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.

## 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 suppliers 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.**

KPIT has implemented a strong governance framework, anchored in its Code of Conduct, to manage and prevent conflicts of interest. The Board Directors and employees must avoid any financial, business, or personal relationships that could conflict with KPIT's interests or their professional duties.

Under the Code of Conduct, any perceived or actual conflict must be reported in writing to the Head of HR with full disclosure. While a conflict does not necessarily prohibit the related activity, those involved must fully disclose it and abstain from the decision-making process. Additionally, directors and employees are obligated to report any potential conflicts involving others. All reports are treated with strict confidentiality, ensuring transparency and integrity in business conduct.

## Business Responsibility & Sustainability Report (Contd.)

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

KPIT emphasizes sustainable business practices through the deployment of innovative green software solutions that reduce client environmental impact. The Company enforces a comprehensive Vendor Code of Conduct to uphold sustainable procurement, focusing on business integrity, fair labor practices, health and safety, and environmental stewardship. These initiatives aim to minimize environmental harm while enhancing societal welfare and stakeholder value. KPIT adheres to ISO 9001:2008 standards within its Quality Management System, reinforcing its commitment to excellence and sustainability. Additionally, the Company evaluates value chain partners on BRSR core to ensure sustainability throughout its operations.

### Essential Indicators

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

| | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | 100% | 100% | KPIT continues to develop and deploy innovative technologies aiming to create a positive impact on the environment. During the year, the Company has achieved below milestones:<br>• Sodium ion battery Technology successfully transferred to Dorf Ketal to further scale it up for Automotive, Stationary Energy storage and Defense applications. This will help India achieve self-reliance and sustainability goals.<br>• Commercialized Hydrogen Fuel Cell Technology for Automotive, Marine and Stationary Storage Applications. KPIT's H2 Fuel Cell Technology is helping these segments make progress towards meeting their Net-zero emission goals.<br>• Equipment to perform research and development in the areas of the cutting-edge Fuel Cell Technology. |
| Capex | 100% | 100% | |

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

Yes, KPIT has established procedures for sustainable sourcing, prioritizing sustainability across its operations. The Company utilizes a Vendor Code of Conduct as the guiding framework for procuring goods and services. This Code mandates that vendors adhere to standards concerning environmental responsibility, social equity, and ethical business practices.

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

In FY 2024-25, KPIT ensured that all office stationery materials were sourced from authorized suppliers, guaranteeing compliance with regulatory guidelines. The Company enforces a stringent vendor due diligence and assessment process in its onboarding procedure, engaging solely with authorized vendors for procurement. Additionally, KPIT encourages vendors to adopt environmental management systems, health and safety management frameworks, and uphold human rights throughout their operations.





Business Responsibility & Sustainability Report (Contd.)

**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/service Company. However, the Company ensures compliance and efficient management of the waste generated on its premises. All in-house waste generated in the premises is managed and disposed of as per the guidelines specified in the Pollution Control Board's Consent to Operate, as mandated by the respective State Pollution Control Board, ensuring environmental sustainability and operational compliance. |
| 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/service 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 | | |

**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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
| Not applicable | | |

## Business Responsibility & Sustainability Report (Contd.)

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

| | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (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 | |





## Business Responsibility & Sustainability Report (Contd.)

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

KPIT is committed to fostering a secure and supportive environment for its employees, contractors, and value chain partners. The Company upholds a strong Environmental, Occupational, Health, and Safety ("EOHS")) Policy aimed at enhancing the well-being of all stakeholders. Active participation and dialogue concerning health and safety are encouraged, cultivating a culture where these priorities are paramount.

Furthering its dedication to inclusivity, KPIT champions diversity, equal opportunity, and non-discrimination across its operations. By embedding these values into its practices, KPIT strives to create a workplace that is both inclusive and equitable, ensuring all individuals are valued and respected. Through these initiatives, KPIT not only enhances the welfare of its workforce but also nurtures a culture of diversity and shared value.

### 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 | 6,383 | 6,383 | 100% | 6,383 | 100% | NA | NA | 6,383 | 100% | 6,383 | 100% |
| Female | 3,035 | 3,035 | 100% | 3,035 | 100% | 3,035 | 100% | NA | NA | 3,035 | 100% |
| **Total** | **9,418** | **9,418** | **100%** | **9,418** | **100%** | **3,035** | **100%** | **6,383** | **100%** | **9,418** | **100%** |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 554 | - | 0% | 11 | 2% | - | 0% | - | 0% | - | 0% |
| Female | 216 | - | 0% | 2 | 1% | - | 0% | - | 0% | - | 0% |
| **Total** | **770** | **-** | **0%** | **13** | **2%** | **-** | **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. KPIT does not have a permanent workers category. | | | | | | | | | | |
| Female | | | | | | | | | | | |
| **Total** | | | | | | | | | | | |
| **Other than Permanent workers*** | | | | | | | | | | | |
| Male | 215 | - | 0% | 215 | 100% | - | 0% | - | 0% | - | 0% |
| Female | 63 | - | 0% | 63 | 100% | - | 0% | - | 0% | - | 0% |
| **Total** | **278** | **-** | **0%** | **278** | **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:**

| Category | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Cost incurred on well-being measures as a % of total revenue of the Company. | 0.78% | 0.31% |

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

| Benefits | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (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% | | Yes | 100% | | Yes |
| Gratuity | 100% | Not applicable | Yes | 100% | Not applicable | Yes |
| ESI | 4% | | Yes | 1% | | Yes |
| Others – please specify | - | - | - | - | - | - |

**Note:** KPIT does not have permanent workers.

**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 is committed to ensuring accessibility for differently abled employees and workers, in adherence to the Rights of Persons with Disabilities Act, 2016. The Company has introduced various measures to enhance accessibility, including the installation of wheelchair ramps, ensuring convenient elevator access, providing dedicated handicapped-accessible restrooms, and offering electric buggies for transportation from the entrance to office areas. These initiatives reflect KPIT's dedication to fostering an inclusive environment where everyone can navigate and utilize the premises effectively, promoting inclusivity and equal opportunity for all.

**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.**

KPIT is dedicated to upholding a workplace free from discrimination on the basis of sex, sexual orientation, race, color, religious creed, veteran status, national origin, age, disability, marital status, or any other legally protected characteristic. The Company's employment processes, from recruitment to termination, are designed to comply with statutory regulations and eliminate any form of discrimination.

KPIT guarantees the right of individuals to file complaints, provide information, or participate in investigations, public hearings, or activities related to equal employment opportunities without facing interference or retaliation. Employees who experience discrimination are encouraged to report the matter to the Head of Global HR, who ensures that all complaints are addressed promptly and appropriately. Refer KPIT's Code of Conduct:





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% | 85% | Not applicable | |
| Female | 42% | 93% | | |
| **Total** | **78%** | **89%** | | |

*Please note that there were no permanent workers employed during the reporting year.

**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 | If Yes, then give details of mechanism in brief |
|---|---|---|
| Permanent workers | KPIT does not have any workers under the permanent worker category. | KPIT upholds a robust Code of Conduct and Whistleblower Policy, offering clear guidelines for employees to raise grievances by writing to ombudsman@kpit.com. Additionally, employees can address their concerns by emailing their Human Resources Business Partner (HRBP) or directly contacting their manager. This system is designed to ensure grievances are promptly received, acknowledged, and appropriately addressed. |
| 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 2024-25 (Current Financial Year) | | | FY 2023-24 (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** | 9,418 | - | 0% | 8,782 | - | 0% |
| Male | 6,383 | - | 0% | 6,000 | - | 0% |
| Female | 3,035 | - | 0% | 2,782 | - | 0% |
| **Total permanent workers*** | - | - | 0% | - | - | 0% |
| Male | - | - | 0% | - | - | 0% |
| Female | - | - | 0% | - | - | 0% |

*The Company does not have permanent workers.

## Business Responsibility & Sustainability Report (Contd.)

**8. Details of training given to employees and workers:**

| Category | FY 2024-25 Current Financial Year | | | | | FY 2023-24 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** | | | | | | | | | | |
| Male | 6,937 | 6,540 | 94% | 6,161 | 89% | 6,144 | 6,144 | 100% | 4,003 | 65% |
| Female | 3,251 | 3,053 | 94% | 2,897 | 89% | 2,836 | 2,836 | 100% | 1,774 | 63% |
| **Total** | **10,188** | **9,593** | **94%** | **9,058** | **89%** | **8,980** | **8,980** | **100%** | **5,777** | **64%** |
| **Workers** | | | | | | | | | | |
| Male | 215 | 215 | 100% | 215 | 100% | 148 | 148 | 100% | 148 | 100% |
| Female | 63 | 63 | 100% | 63 | 100% | 31 | 31 | 100% | 31 | 100% |
| **Total** | **278** | **278** | **100%** | **278** | **100%** | **179** | **179** | **100%** | **179** | **100%** |

**9. Details of performance and career development reviews of employees and workers:**

| Category | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| **Employees *** | | | | | | |
| Male | 6,937 | 6,239 | 90% | 5,034 | 4,857 | 96% |
| Female | 3,251 | 2,845 | 88% | 2,325 | 2,185 | 94% |
| **Total** | **10,188** | **9,084** | **89%** | **7,359** | **7,042** | **96%** |
| **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, at KPIT, the safety and well-being of employees are of utmost importance. The Company is dedicated to fostering a secure and healthy work environment through a structured Occupational Health and Safety ("OHS") Management System.

KPIT has achieved certification to the ISO 45001:2018 Occupational Health and Safety Management System standard, covering major sites in India and approximately 95% of its total employee base in the country. This certification underscores the Company's commitment to ensuring a safe and healthy work environment for its employees.

To reinforce this commitment, KPIT has implemented a comprehensive OHS Management System across most of its offices in India.

KPIT maintains a comprehensive approach to workplace safety through its Occupational Health and Safety Management System. This includes implementing safe work practices, hazard identification and risk assessment ("HIRA"), and rigorous employee training to ensure skill acquisition for safe job performance. Safety measures are systematically applied, supported by the provision of personal protective equipment ("PPE") for workers. Regular medical fitness assessments are conducted to monitor employee well-being, while emergency preparedness protocols are established to efficiently manage potential incidents.

Clear safety guidelines are communicated via Standard Operating Procedures ("SOPs"), ensuring regulatory compliance with all health and safety laws. KPIT employs a permitting system for safety protocols related to specific tasks and pursues continuous improvement through regular reviews of its OHS Management System. To further strengthen employee readiness, the Company conducts regular emergency drills, fostering a culture of awareness and preparedness across its workforce.

**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 fostering a safe and healthy work environment for its employees through a robust Environmental, Occupational Health, and Safety (EOHS) policy. As part of this commitment, the Company has established a comprehensive Occupational Health and Safety (OHS) management system across its major office locations. This system is designed to proactively identify, mitigate, and manage potential workplace hazards, ensuring the well-being of all employees.

A central aspect of this system is the Hazard Identification and Risk Assessment (HIRA) process, which is instrumental in minimizing workplace risks. The HIRA process enables KPIT to:

- Systematically identify workplace hazards to assess potential risks.
- Evaluate and prioritize risks based on their severity and likelihood of occurrence.
- Implement control measures that effectively mitigate or eliminate identified risks.
- Monitor and evaluate the effectiveness of these control measures for continuous improvement.
- Document findings and communicate them transparently to employees, fostering awareness and accountability.

The HIRA process is routinely reviewed and updated to respond to new risks, operational changes, and regulatory requirements, ensuring its continued effectiveness and alignment with KPIT's commitment to safety and health standards.

## Business Responsibility & Sustainability Report (Contd.)

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

KPIT prioritizes safety for employees and workers by ensuring prompt reporting and management of all work-related incidents, including accidents, unsafe conditions, and acts. Employees can report incidents via the dedicated email workplacesafety@kpit.com and the ASSIST platform, which supports thorough incident investigation and corrective actions for hazard elimination and prevention. These practices are communicated to all employees. For workers, KPIT has procedures for reporting safety concerns that are logged in an incident tracker sheet as either closed or open. The head of security reviews incident reports weekly, addressing any occurrences thoroughly. Environmental and hazardous issues are promptly reported to management.

**d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

KPIT prioritizes employee well-being by offering non-occupational medical services, including doctor consultations, counseling, and teleconsultations. The Company emphasizes a people-first approach, promoting physical, mental, and emotional wellness. A 24/7 in-house ambulance service ensures a 20-minute emergency response time, while a medical practitioner visits Pune sites thrice a week and is available on call elsewhere. Employees also receive benefits like oral cancer screening program to detect cancer at early stage, diet coaching & nutritionist counseling, discounted wellness products, life insurance, mediclaim, and personal accident cover. KPIT believes a healthy workforce is essential for corporate success and long-term growth. To support this, the Company extends health and well-being sessions for workers.

**11. Details of safety related incidents, in the following format:**

| Safety incident/number | Category* | FY 2024-25 (Current Financial Year) | FY 2023-24 (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 | Nil | |
| | Workers | 1 | |
| No. of fatalities | Employees | Nil | |
| | Workers | | |
| High consequences for work-related injury or ill-health (excluding fatalities) | Employees | | |
| | Workers | | |

*Including in the contract workforce

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

KPIT prioritizes the health, safety, and well-being of its employees, understanding their vital role in achieving the Company's growth objectives. Committed to providing safe working conditions, KPIT minimizes illnesses and injuries through extensive safety training programs, including fire and emergency drills, electrical safety measures, and cross-functional training on hygiene and security.

For 2024-25, KPIT's wellness initiatives include:

- A wellness calendar with programs on nutrition, wellness, stress management, mental health, and meditation, along with seasonal healthcare initiatives.
- A live virtual 'Health Studio' offering teleconsultation services exclusively for women.
- Webinars focusing on mental and emotional health.
- Ongoing awareness campaigns via leadership videos, banners, and communications.





Business Responsibility & Sustainability Report (Contd.)

- Desk exercises led by a physician.
- Communications on preventive care during disease outbreaks.
- Global sessions on topics such as anger management and cervical cancer awareness, plus World Health Day celebrations featuring Chakra Science for mindfulness.
- A global webinar titled "Your Liver Can Make You Live Longer!!!" emphasizes liver health and its critical functions in body processes.
- Launched Kidney Health Awareness program to educate employees.
- Offered Womantra financial planning workshops for women.
- Raised awareness about heart health on World Heart Day.
- Conducted awareness session to educate employees about infertility & IVF treatment

These efforts ensure KPIT remains committed to enhancing employee safety and well-being across all locations.

**13. Number of complaints on the following made by employees and workers**

| | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (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 | 2 | 1 | The Company is working on fixing the Complaint related to lighting in the extended parking area. | 1 | - | Complaint was related to lighting in the parking area |
| Health & Safety | 2 | - | Both the complaints were related to floor cleaning. | - | - | 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.**

During the reporting period, KPIT reported no serious health and safety concerns or injuries. Security staff efficiently report incidents daily, with senior management reviewing them weekly and addressing recurring issues. No significant risks were identified in internal assessments. KPIT encourages transparent reporting and supports investigations and corrective actions via its email workplacesafety@kpit.com and the ASSIST platform to prevent future incidents.

## Business Responsibility & Sustainability Report (Contd.)

### 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 adheres to labor laws and ensures that all workers receive benefits in accordance with regulatory provisions set by the 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.

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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) | FY 2024-25 (Current Financial Year) | FY 2023-24 (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 transition assistance program to support employees experiencing career endings due to termination. Additionally, the Company provides skill enhancement training and conducts performance development reviews to continuously assess and improve employee capabilities, demonstrating its commitment to supporting employees throughout 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 ensures compliance with regulatory requirements when engaging with its suppliers. The Company is in the process of establishing a reporting system for its upstream and downstream value chain partners in alignment with BRSR core standards, which also include health and safety and human rights parameters. |
| 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 prioritizes effective stakeholder engagement as a vital component of its business operations. To achieve this, the Company has implemented a Stakeholders Engagement Policy to guide the understanding and addressing of concerns from both internal and external parties. By collaborating with stakeholders to manage risks and resolve conflicts swiftly, KPIT supports long-term sustainable growth. Stakeholders are encouraged to report grievances via email at ombudsman@kpit.com. This structured approach fosters supportive and sustainable relationships with all parties involved.

### Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   KPIT emphasizes strong engagement with key stakeholders vital to its business value chain, recognizing regular interactions as essential for understanding their aspirations and concerns. The Company's primary stakeholders include employees, shareholders, investors, banks, customers, suppliers, local communities, and government & regulatory authorities. Through active two-way communication, KPIT identifies and resolves challenges, creating shared value. Viewing stakeholders as crucial business partners, the Company collaborates closely to drive sustainable growth and success. KPIT values stakeholder input and feedback as essential for collectively achieving its goals and fulfilling commitments.

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<br>• Employee Engagement<br>• Feedback and grievance redressal<br>• Career development<br>• Safety and healthy work culture<br>• 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<br>• 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<br>• Financial Performance. |
| Suppliers | No | Personal visits, emails and phone calls, satisfaction surveys | Annually and Need Basis | • Risk assessment.<br>• Quality and Business<br>• Continuity<br>• Relationship Management |
| Customers | No | Personal visits, customer satisfaction surveys, emails and phone calls to customer leadership meet, social media | Annually and Need basis | • Opportunity to improve KPIT's services<br>• Understanding clients and industry challenges<br>• Current trend<br>• Relationship Management |
| Community | No | CSR Initiatives, Awareness workshops, videos, Community program and employee volunteering | Quarterly and Need Basis | • Understanding opportunities for sustainable development<br>• Development to society Retain KPIT brand and reputation<br>• 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 is committed to regular, proactive engagement with stakeholders to align expectations and build trust. The Board receives periodic updates and communications from senior management on material issues, ensuring informed governance responsive to stakeholder expectations on environmental and social matters. This dedication to transparent communication is key to KPIT's collaborative efforts to achieve 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 regularly reviews its material topics, identifying key stakeholders and business concerns as material issues. The Company actively seeks stakeholder feedback and recommendations, considering these interactions to prioritize environmental, social, and governance ("ESG") issues. Through this approach, KPIT ensures its sustainability efforts effectively addresses stakeholder concerns.

3. **Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   KPIT in partnership with Maharshi Karve Stree Shikshan Samstha (MKSSS) and Surajya Sarvangin Vikas Prakalp, undertook a skill training initiative to empower women from vulnerable and marginalized groups. Through a needs assessment conducted in Pune, Raigad, and Satara, 331 women were identified for participation in the program. This collaborative effort successfully equipped the participants with essential skills to improve their livelihoods, thereby promoting socioeconomic development within these communities.

## Business Responsibility & Sustainability Report (Contd.)

**Principle 5: Businesses should respect and promote human rights.**

KPIT is committed to safeguarding labor and human rights by enforcing strict guidelines outlined in its Code of Conduct and Vendor Code of Conduct. These codes forbid child and force labor, prevent discrimination and harassment, and promote diversity and inclusion. Compliance is mandatory for all vendors, who must also adhere to relevant laws and international principles. KPIT proactively communicates these standards to ensure widespread understanding and compliance, reinforcing its dedication to ethical business practices and human rights protection across its value chain.

### 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:**

| Category | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (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 | 6,937 | 6,540 | 94% | 8,782 | 8,782 | 100% |
| Other than permanent | 3,251 | 3,025 | 93% | 198 | - | 0% |
| **Total employees** | **10,188** | **9,565** | **94%** | **8,980** | **8,782** | **98%** |
| **Workers** | | | | | | |
| Permanent | KPIT does not have permanent workers. | | | | | |
| Other than permanent | 278 | - | 0% | 179 | - | 0% |
| **Total workers** | **278** | **-** | **0%** | **179** | **-** | **0%** |

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2024-25 (Current Financial Year) | | | | | FY 2023-24 (Previous Financial Year) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 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 | 9,418 | - | 0% | 9,418 | 100% | 8,782 | - | 0% | 8,782 | 100% |
| Male | 6,383 | - | 0% | 6,383 | 100% | 6,000 | - | 0% | 6,000 | 100% |
| Female | 3,035 | - | 0% | 3,035 | 100% | 2,782 | - | 0% | 2,782 | 100% |
| Other than permanent | 770 | - | | 770 | 100% | 198 | - | 0% | 198 | 100% |
| Male | 554 | - | 0% | 554 | 100% | 144 | - | 0% | 144 | 100% |
| Female | 216 | - | 0% | 216 | 100% | 54 | - | 0% | 54 | 100% |
| **Total employees** | **10,188** | **-** | **0%** | **10,188** | **100%** | **8,980** | **-** | **0%** | **8,980** | **100%** |
| **Workers** | | | | | | | | | | |
| Permanent | KPIT does not have permanent workers. | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| **Other than permanent** | 278 | - | 0% | | 100% | 179 | - | 0% | 179 | 100% |
| Male | 215 | - | 0% | | 100% | 148 | - | 0% | 148 | 100% |
| Female | 63 | - | 0% | | 100% | 31 | - | 0% | 31 | 100% |
| **Total workers** | 278 | - | 0% | | 100% | 179 | - | 0% | 179 | 100% |





## Business Responsibility & Sustainability Report (Contd.)

**3. Details of remuneration/salary/wages**

**a. Median remuneration/wages:**

| Category | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | 13 | 6,795,010 | 1 | 6,834,750 |
| Key Managerial Personnel (KMP) | 1* | - | 2 | 10,221,996 |
| Employees other than BoD and KMP | 6,379 | 1,369,847 | 3040 | 1,216,617 |
| Workers | Not applicable | | | |

**Note:** *Mr. Ashish Malhotra is appointed as General Counsel & Company Secretary w.e.f. April 28, 2025

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

| | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Gross wages paid to females as % of total wage. | 27.49% | 27.07% |

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.

**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 assigns a dedicated Human Resource Business Partner (HRBP) to each function, offering employees a direct channel to raise concerns. The Company has also implemented a robust Vigil Mechanism and Whistleblower policy to ensure transparency and integrity. Mr. Anil Patwardhan serves as the ombudsman, reporting directly to the Chairman of the Audit Committee, reinforcing KPIT's commitment to an ethical workplace. Grievances from internal and external stakeholders can be reported via email at ombudsman@kpit.com.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

KPIT has established a Vigil Mechanism and Whistleblower Policy to address human rights issues and business conduct effectively. This policy outlines procedures for managing grievances related to human rights violations. It allows employees, directors, and associated individuals to submit Protected Disclosures, prioritizing the Company's best interests. The mechanism details complaint submission, processing, investigation procedures, responsibilities, and non-retaliation assurances. Additionally, each function is supported by a dedicated Human Resource Business Partner (HRBP) to facilitate communication of employee concerns.

## Business Responsibility & Sustainability Report (Contd.)

**6. Number of complaints on the following made by employees and workers:**

| | FY 2024-25 (Current Financial Year) | | | FY 2023-24 (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 | - | Not Applicable |
| Discrimination at workplace | - | - | | - | - | |
| 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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | - | - |
| Complaints on POSH as a % of female employees / workers | 0% | 0% |
| Complaints on POSH upheld | - | - |

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator.

**8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.**

KPIT is dedicated to creating a workplace free from discrimination and harassment. The Company has Whistleblower and Prevention of Sexual Harassment ("POSH") policies that allow employees to report issues without fear of retaliation, ensuring confidentiality and anonymity of complainants. In line with the Sexual Harassment of Women at Workplace Act, 2013, and the Employee Code of Conduct, awareness training is provided to all employees, underscoring KPIT's commitment to a respectful and inclusive environment. Further details are available at https://www.kpit.com/investor-gov/.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. KPIT ensures transparency and accountability by clearly communicating its human rights commitment to all business partners. Partners must agree to the Vendor Code of Conduct, covering anti-corruption, child labor, forced labor, and other human rights considerations. KPIT incorporates these clauses into contracts, ensuring ethical practices across the value chain. By proactively engaging with business partners, KPIT upholds corporate responsibility, promoting sustainability and equity. The Company believes ethical conduct and human rights respect are essential to building lasting, mutually beneficial stakeholder relationships.





## Business Responsibility & Sustainability Report (Contd.)

**10. Assessments of the year**

| | % of your plants and offices that were assessed (by the entity or statutory authorities or third parties) |
|---|---|
| Child labour | KPIT has not carried out human rights assessment during FY 2024-25. However, the Company has implemented stringent policies to avoid social and human rights risk. |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | |

**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.**

KPIT reported no human rights violations this year, affirming its commitment to strong human rights, POSH, Vigil Mechanism, and Whistleblower policies. Mandatory training sessions on these topics ensure transparency and accessibility for all employees. Vendors must comply with the POSH Act and integrate human rights policies in their contracts during onboarding. KPIT is committed to fostering a respectful and safe workplace where everyone can voice concerns about harassment or human rights issues. The Company upholds the highest ethical standards, promoting accountability and integrity internally and with partners, supported by proactive 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.

**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 ensures compliance with regulatory requirements when engaging with its suppliers. The Company is in the process of establishing a reporting system on its upstream and downstream value chain partners in alignment with BRSR core requirements which also include health and safety and human rights parameters. |
| 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.**




KPIT is dedicated to environmental stewardship, aiming to create positive impacts on society and the planet for current and future generations. By integrating sustainability into its operations, the Company effectively manages environmental impacts and conserves resources through its Environment, Occupational Health and Safety Policy, and Vendor Code of Conduct. KPIT is actively identifying emission hotspots and working to reduce emissions. Positioned to leverage trends in clean technology, AI, and supply chain innovations, KPIT sees significant growth opportunities in electrification and AI-driven solutions, particularly in India. In FY 2025, the Company obtained ISO 45001:2015 and ISO 14001:2015 Environmental Management System certifications for four of its nine Indian locations, covering 95% of its workforce.

### Essential Indicators

**1. Details of total energy consumption (in Joules or multiples) and energy intensity:**

| Parameter | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| **For Renewable Sources** | | |
| Total electricity consumption (A) | 11,418 | 7,890 |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| **Total energy consumed from renewable sources (A+B+C)** | 11,418 | **7,890** |
| **From non-renewable sources** | | |
| Total electricity consumption (D) | 13,418 | 13,146 |
| Total fuel consumption (E) | 1,130 | 264 |
| Energy consumption through other sources (F) | - | - |
| **Total energy consumed from non-renewable sources (D+E+F)** | 14,548 | 13,410 |
| **Total energy consumed (A+B+C+D+E+F)** | 25,966 | 21,300 |
| **Energy intensity per rupee of turnover** (Total energy consumed / Revenue (in Million INR) from operations) | 1.01 | 1.06 |
| **Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total energy consumed / Revenue (in Million USD) from operations adjusted for PPP)* | 20.92 | 21.58 |
| **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 Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for the current year (FY25) and 20.43 for previous year (FY24). (Source : https://www.imf.org/external/datamapper/profile/IND) Energy intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards note on Business Responsibility and Sustainability Report (BRSR) Core.

**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.**

Yes, an independent reasonable assurance has been carried out by C N K & Associates LLP on above indicator. Refer page no. 172 for Reasonable Assurance Report.





## Business Responsibility & Sustainability Report (Contd.)

**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.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 741 | - |
| (ii) Groundwater | 29,178 | - |
| (iii) Third-party water | 35,720 | 40,647 |
| (iv) Seawater / desalinated water | 0 | - |
| (v) Others (Tanker water) | 8,069 | 4,531 |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | 73,709 | 45,178 |
| **Total volume of water consumption (in kilolitres)** | 73,709 | 45,178 |
| **Water intensity per rupee of turnover** (Total water consumption / Revenue (in Million INR) | 2.87 | 2.24 |
| **Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*** (Total water consumption / Revenue (in Million USD) from operations adjusted for PPP) | 59.39 | 45.77 |
| **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 Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for the current year (FY25) and 20.43 for previous year (FY24). (Source : https://www.imf.org/external/datamapper/profile/IND) Water intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards note on Business Responsibility and Sustainability Report (BRSR) Core.

**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.**

Yes, an independent reasonable assurance has been carried out by C N K & Associates LLP on above indicator. Refer page no. 172 for Reasonable Assurance Report.

## Business Responsibility & Sustainability Report (Contd.)

**4. Provide the following details related to water discharged:**

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **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 at owned premises (18,120.71 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.**

Yes, an independent reasonable assurance has been carried out by C N K & Associates LLP on above indicator. Refer page no. 172 for Reasonable Assurance Report.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

KPIT is committed to optimizing water consumption through comprehensive conservation initiatives. The Company has implemented Sewage Treatment Plants ("STPs") at owned facilities, allowing for the treatment and reuse of wastewater for activities such as flushing and gardening. This sustainable approach ensures adherence to a Zero Liquid Discharge ("ZLD") standard, with no liquid discharge beyond the premises. KPIT effectively treats and repurposes water for various applications, including domestic uses, demonstrating its dedication to responsible resource management.

**6. Please provide details of air emissions (other than GHG emissions) by the entity:**

| Parameter | Unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|---|
| NOx | - | - | - |
| SOx | KG | 3.71 | 3.27 |
| Particulate matter (PM) | KG | 6.07 | 2.94 |
| Persistent organic pollutants (POP) | | Not applicable | Not applicable |
| Volatile organic compounds (VOC) | | | |
| Hazardous air pollutants (HAP) | | | |
| Others – Please specify. | | | |

**Note:** The Company maintains DG sets only in Pune office.

**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.)

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

| Parameter | Unit | FY 2024-25 (Current Financial Year) | FY 2023-24 (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 | 768.52 | 688.29 |
| **Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) * | Metric tonnes of CO2 equivalent | 2,647.36 (Market based) 4,741.11 (Location based) | 2,614.63 (Market Based) 4,183.78 (Location based) |
| **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) | 0.13 | 0.16 |
| **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 USD) from operations adjusted for PPP)** | tCO2e/Million USD (turnover adjusted for PPP) | 2.75 | 3.35 |
| **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 | | - | - |

*Locations based Scope 2 emissions reported for FY23-24

**The revenue from operations has been adjusted for Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for the current year (FY25) and 20.43 for previous year (FY24). (Source : https://www.imf.org/external/datamapper/profile/IND) Emissions intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards note on Business Responsibility and Sustainability Report (BRSR) Core.

***Emissions 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.**

Yes, an independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator. Refer page no. 172 for Reasonable Assurance Report.

**8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.**

KPIT systematically addresses climate change through strategic measures aimed at reducing its environmental impact. To reduce its environmental footprint, the Company is committed to innovation and continuous improvement in lowering its carbon footprint across all operations. This commitment underscores KPIT's dedication to sustainability and its contribution to climate change solutions. Key initiatives undertaken to reduce greenhouse gas emissions include:

1. KPIT's Pune Hinjewadi Phase 3 Office has successfully integrated a solar plant with a rooftop system, demonstrating a strong shift towards renewable energy. This initiative reflects the company's commitment to sustainability and reduced reliance on conventional energy sources. The solar adoption has also led to a significant reduction in carbon dioxide emissions, contributing to climate change mitigation and supporting the organization's sustainability goals.
2. Deployment of occupancy sensors in washrooms at KPIT's Pune Hinjewadi Phase 3 Office to optimize resource usage.
3. Partially transitioning to green energy sources at Bangalore offices led to reduction in greenhouse gas emissions and cost savings in energy expenses, enhancing both economic efficiency and operational resilience.

## Business Responsibility & Sustainability Report (Contd.)

4. Partial replacement of diesel and petrol vehicles with electric vehicles through vendor partnerships, bolstering sustainable transportation solutions.

These efforts reflect KPIT's proactive approach to environmental stewardship and its positive contribution to mitigating climate change impacts.

**9. Provide details related to waste management by the entity, in the following format:**

| Parameter | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| **Total waste generated (in metric tonnes)** | | |
| Plastic waste **(A)** | 0.784 | 0.22 |
| E-waste **(B)** | 5.801 | - |
| Bio-medical waste **(C)** | 0.745 | - |
| Construction and demolition waste **(D)** | 4.36 | - |
| Battery waste **(E)** | 11.111 | - |
| Radioactive waste **(F)** | - | - |
| Other Hazardous waste. Please specify, if any. **(G)** | 0.122 | 0.13 |
| Other Non-hazardous waste generated **(H)**. Please specify, if any. (Food, Paper, Cardboard, Metal and Mixed Waste) | 45.534 | 12.10 |
| **Total (A+B + C + D + E + F + G + H)** | 68.45 | 12.45 |
| **Waste intensity per rupee of Turnover** (Total waste generated (MT) /Revenue (in Million INR) from operations) | 0.003 | 0.001 |
| **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) | 0.06 | 0.01 |
| **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 Purchasing Power Parity ('PPP') based on the PPP conversion rates published by International Monetary Fund ('IMF') which is 20.66 for the current year (FY25) and 20.43 for previous year (FY24). (Source : https://www.imf.org/external/datamapper/profile/IND) Waste intensity per rupee of turnover adjusted for PPP for the previous year has been recalculated and restated using PPP conversion rates published by IMF as required by Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core.

** 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 | 39.53 | 12.44 |
| (ii) Re-used | 12.95 | - |
| (iii) Other recovery operations | - | - |
| **Total** | **52.48** | **12.44** |
| **For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Incineration | 0.739 | - |
| (ii) Landfilling | 4.92 | - |
| (iii) Other disposal operations | 3.537 | - |
| **Total** | **9.196** | **-** |





## 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.**

Yes, an independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator. Refer page no. 172 for Reasonable Assurance Report.

**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, a global technology and service provider, adheres to environmentally responsible practices by avoiding the use of hazardous or toxic chemicals. The Company's waste primarily consists of electronic, electrical, and municipal solid waste, with minimal hazardous waste. KPIT implements initiatives on recycling, composting, and responsible disposal to minimize environmental impact.

- KPIT is certified under ISO 14001:2015 Environmental Management System, covering major Indian sites that account for 95% of its workforce. This system emphasizes the 4Rs—Reduce, Reuse, Recycle, and Recover—to manage waste effectively.
- The Company monitors and manages e-waste, ensuring that electronic hardware is recycled, repaired, or repurposed through approved vendors.
- Waste within facilities is segregated into dry and wet categories: wet waste is composted for manure, while dry waste is responsibly recycled.

**Specific Waste Disposal Measures:**

- **Biodegradable Waste:** KPIT operates a composting plant processing up to 100 kg of waste daily to produce garden manure.
- **Municipal Solid Waste (MSW):** Solid waste segregation occurs at the source, with recyclables sent to authorized vendors.
- **E-waste:** Disposal of obsolete electronic equipment occurs through certified recyclers, following regulatory guidelines.
- **Hazardous Waste:** Managed through government-approved agencies, adhering to Ministry of Environment and Forests regulations. Used printer cartridges are recycled under the Planet HP Take Back Program.

KPIT remains dedicated to continuous improvement in sustainable waste management practices to reduce environmental impact.

**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 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. KPIT has not undertaken the construction of new office buildings during FY24-25, thereby obviating the need for the Company to conduct environmental impact assessments related to construction activities. | | | | | |

## Business Responsibility & Sustainability Report (Contd.)

**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**:

Yes, KPIT adheres to the guidelines set forth by the Maharashtra Pollution Control Board ("MPCB") and the Central Pollution Control Board ("CPCB") concerning the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, and the Environment Protection Act and associated rules.

### 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 FY2024-25, 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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | - | - |
| (ii) Groundwater | 24,274 | - |
| (iii) Third party water | 5,963.04 | 3,597 |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | 194.7 | - |
| **Total volume of water withdrawal (in kilolitres)** | 30,431.74 | 3,597 |
| **Total volume of water consumption (in kilolitres)** | 30,431.74 | 3,597 |
| **Water intensity per rupee of turnover** (Water consumed / turnover) | 1.19 | 0.18 |
| **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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|---|
| **Total Scope 3 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | | * | * |
| **Total Scope 3 emissions per rupee of turnover** | | * | * |
| **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.

**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, as KPIT does not have operations in or around ecologically sensitive areas.

**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 | Transition to renewable energy | KPIT has made a substantial commitment to reducing its environmental impact through the launch of the Green Energy Initiative, which focuses on promoting sustainable energy consumption. As part of this initiative, KPIT procures wheeling energy from MSPL, a notable wind energy producer, and also harnesses solar energy. The wheeling process involves purchasing electricity generated from renewable sources, such as wind and solar, which is then transmitted through the power grid to the consumer's location. | By using renewable energy, KPIT has achieved $CO_2$ reduction in FY 2024-25. Incorporating both wind and solar energy into its energy mix, KPIT significantly reduced its reliance on fossil fuels, reinforcing its dedication to fostering a cleaner and more sustainable future. |

## Business Responsibility & Sustainability Report (Contd.)

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 2 | Aerator Nozzles for Wash Basins | KPIT has implemented a strategy to reduce water wastage by installing aerator nozzles on 92 washbasins, an initiative projected to conserve an additional 50,000 liters of water per month. The aerator nozzles address the estimated 60-70% waste from handwashing. This water conservation measure also leads to energy savings, as less energy is needed to pump and distribute water. This initiative is in line with KPIT's broader commitment to sustainability and operational efficiency. | The implementation of aerator nozzles has led to a significant reduction in water usage and has contributed to energy savings through decreased demand on water pumping systems. |
| 3 | Sensor-based Taps | With the implementation of sensor-based water taps in its offices, the Company has observed notable positive outcomes. These touchless taps, utilizing infrared sensors, significantly reduce water wastage, aligning with the company's sustainability objectives by conserving water and decreasing energy consumption related to water management. This initiative demonstrates the company's commitment to environmental stewardship while enhancing hygiene by minimizing contact and reducing the spread of germs. | Reduction in water and energy consumption. |
| 4 | Implementation of Waterless Urinals | As part of a broader commitment to sustainability, the Company has successfully introduced waterless urinals at its Pune Phase 3 and IT9 campuses. This initiative involved the conversion of a total of 76 urinals, leading to remarkable water savings of approximately 150,000 liters per month. This conservation effort equates to the average monthly water consumption of 10 families, highlighting the significant environmental and resource efficiency impact of the project. | Reduction in water consumption. |
| 5 | Reuse, Recycle, Repurpose (RRR) Station | KPIT has reinforced its commitment to sustainability with the launch of the "RRR Station". It is a permanent collection center established at Pune Campus (Head Office) for the responsible disposal of E-waste, Plastic Waste, and donated Clothes.<br><br>This initiative encourages employees to participate in responsible waste management. 245 employees donated over one ton of material to Poornam Ecovision Foundation for reuse and scientific disposal, fostering a culture of reuse, recycling, and repurposing within the organization. | Responsible waste management & circularity implementation. |





## Business Responsibility & Sustainability Report (Contd.)

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 6 | Sustainability Month | For over a decade, KPIT has remained committed to the promise of a cleaner world by observing Environment Month every year in June. This year, as the Company embarked on its journey towards sustainability, it has celebrated Sustainability Month by organizing initiatives for its employees with motive of having at least one activity each day to foster sustainability. | Enhanced awareness & engagement on environmental stewardship. |

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 comprehensive business continuity management framework, certified to ISO 22301:2019 standards, ensuring consistent implementation across the Company. Subject matter experts oversee business continuity plans and conduct drills to ensure seamless operation resumption during 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 is dedicated to environmental responsibility, which extends to its supply chain. The Company reports minimal environmental impact from its value chain partners due to a rigorous Vendor Code of Conduct, which mandates compliance with environmental regulations. As part of the onboarding process, all new partners are required to sign and adhere to this code.

7. **Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.**

   During the reporting period, the Company has engaged with selected value chain partners and conducted awareness sessions focusing on environmental and social impacts, fostering improved collaboration and compliance across the value chain.

8. **How many Green Credits have been generated or procured:**

   a. **By the listed entity:** None

   b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners**

      KPIT has not generated or procured green credits in the reporting year FY 2024-25.

## 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.**

KPIT actively engages with trade organizations and industry groups, participating in forums and workshops to address industry and stakeholder concerns. The Company is committed to ethical business practices, sustainability, social stability, and human rights through its public policy advocacy. By collaborating with stakeholders, KPIT advocates sustainability issues such as water conservation, climate change, e-waste management, education, and diversity. KPIT believes that active advocacy and adherence to ethical principles drive positive societal change and amplify 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 | International |
| 2 | ASAM - Association for Standardization of Automation and Measuring Systems | International |
| 3 | AUTOSAR – AUTomotive Open System Architecture | International |
| 4 | SOAFEE – Scalable Open Architecture for Embedded Edge | International |
| 5 | ECLIPSE SDV Foundation | International |
| 6 | COVESA – Connected Vehicle Systems Alliance | International |
| 7 | CII - Confederation of Indian Industry | National |
| 8 | NASSCOM - National Association of Software and Service Companies | National |
| 9 | ACMA - Automotive Component Manufacturers Association of India | National |
| 10 | MCCIA - Maratha Chamber of Commerce Industries and Agriculture | 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.**

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| KPIT is committed to fair competition and proudly reports a year free of anti-competitive behavior concerns. The Company's Code of Conduct, accessible on its website, reinforces its dedication to fostering an open market and upholding fair trade practices. | | |

### Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   KPIT actively engages in industry alliances and technology consortia, including NASSCOM, ACMA, MCCIA, AUTOSAR, ASAM, and CharIN. Its leaders and experts contribute insights on topics like future roadmaps, technological advancements, and policy interventions, keeping KPIT at th e forefront of innovation. For details, refer to the Public Advocacy policy at https://www.kpit.com/investor-gov/.





## Business Responsibility & Sustainability Report (Contd.)

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

KPIT's Corporate Social Responsibility (CSR) policy aligns with the Companies Act, 2013, demonstrating a strong commitment to community service. CSR has been central to KPIT's philosophy since its inception, emphasizing the importance of giving back. KPIT leverages technology and innovation in its CSR initiatives to uplift underprivileged groups and create lasting community impact.

### 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 | | | | | |

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 | | | | | | |

3. **Describe the mechanisms to receive and redress grievances of the community.**

   KPIT's Corporate Social Responsibility ("CSR") Policy aims to create lasting community change through education, environment, and employee engagement. Emphasizing technology and innovation, KPIT focuses on uplifting communities via STEM initiatives. The Company actively manages projects to address community needs, with its CSR committee overseeing implementation and providing biannual updates to the KPIT Board. KPIT is committed to making a meaningful difference and building a brighter future for all.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

| | FY 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Directly sourced from MSMEs / small producers | 16.21% | 11.74% |
| Directly from within India | 99.03% | 100.00%* |

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator. Refer page no. 172 for Reasonable Assurance Report.

*The value for FY 2023-24 have been recomputed and restated due to certain re-classification and change in methodology of computation in order to maintain a consistent approach.

## 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 2024-25 (Current Financial Year) | FY 2023-24 (Previous Financial Year) |
|---|---|---|
| Rural | Not applicable | Not applicable |
| Semi-Urban | Not applicable | Not applicable |
| Urban | Not applicable | Not applicable |
| Metropolitan* | 100% | 100% |

*KPIT has offices in Metropolitan cities of the country.

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on the above indicator. Refer page no. 172 for Reasonable Assurance Report.

### 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.

**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 | Kadapa (Sparkle 2025) | Following are the project-wise CSR spent details during FY 2024-25<br># Chhote Scientists: INR 13,000,000<br># KPIT SPARKLE: INR 10,643,771<br># KPIT SHODH: INR 3,120,000 |
| 2 | Andhra Pradesh | Visakhapatnam (Sparkle & Shodh 2025) | |
| 3 | Andhra Pradesh | Vizianagaram (Sparkle 2025) | |
| 4 | Bihar | Purnia (Sparkle 2025) | |
| 5 | Jharkhand | Ranchi (Sparkle & Shodh 2025) | |
| 6 | Madhya Pradesh | Barwani (Sparkle 2025) | |
| 7 | Madhya Pradesh | Guna (Sparkle 2025) | |
| 8 | Maharashtra | Osmanabad (Sparkle 2025 & Chhote scientists) | |
| 9 | Odisha | Rayagada (Sparkle & Shodh 2025) | |
| 10 | Tamil Nadu | Virudhunagar (Sparkle & Shodh 2025) | |

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?**

KPIT treats Micro, Small, and Medium Enterprises ("MSME") vendors equitably, alongside non-MSME vendors, while adopting preferential payment norms for MSMEs. Most procurement comprises high-end hardware, software, tools, and materials from OEMs and local partners. Routine facilities and infrastructure management services are procured from established vendors.

**(b) From which marginalized/vulnerable groups do you procure?**

No procurement has been carried out from marginalized/ vulnerable groups.

**(c) What percentage of total procurement (by value) does it constitute?**

KPIT prioritizes creating shared value for local enterprises by striving to procure locally and sustainably where possible. Although the nature of IT-related procurement primarily involves sourcing from large multinational, KPIT focuses on engaging with marginalized or vulnerable suppliers for its administrative and canteen needs, fostering economic opportunities within local communities.





## 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. KPIT does 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. | Forest Conservation:<br>5,433 trees planted,<br>1. 14 Trees Foundation - 5,000 trees<br>2. Bengaluru & Chennai - 433 trees<br>3. WRCS | Not applicable | Not applicable |
| 2. | Water Conservation:<br>95.9 lakh ltrs of water conserved,<br>1. Stepwells (17,495 + 9,800)<br>2. Water Storage Tanks (1,455)<br>Total villagers = 28,750 | 28,750 | 100 |
| 3. | E-Waste Recycling<br>Collected E-Waste: 46.2 tons<br>Collected Plastic waste : 20.3 tons<br>Donors: Pune - 8,770<br>Donors: Bengaluru - 250 | *9,020 | - |
| 4. | Chhote Scientists | 154,397 | This program covers all categories of students to promote STEM education |
| 5. | KPIT Sparkle | 28,000 | This program covers all categories of students to promote STEM education |
| 6. | KPIT Shodh | 468 | This program covers all categories of students to promote STEM education |
| 7. | KPIT STEM Dialogues (Viewers) | **273,459 | This program covers all categories of students to promote STEM education |
| 8. | PMDTA- Encouraging Lawn Tennis | 13 | 0 |
| 9. | MKSSS & Surajya – Women Empowerment (80 + 180 + 71) | 331 | 100 |
| 10. | Online Teaching At Schools | 665 | 100 |
| 11. | Netra | 11 | 100 |
| 12. | Nisarga Mitra | 2,564 | 90 |
| 13. | Ecological Restoration - Kochi | 100 | 100 |
| 14. | Ecological Society-Creation Of Video Content | 60 | Not applicable |

## Business Responsibility & Sustainability Report (Contd.)

| S. No. | CSR project | No. of persons benefited from CSR projects | % of beneficiaries from vulnerable and marginalized groups |
|---|---|---|---|
| 15. | Blood Donation Drives | 2,253 | Not applicable |
| 16. | School Kit Donation Drive | 1,129 | 100 |
| 17. | Support to self-help groups/NGOs | 6 NGOs | 100 |
| 18. | Awareness Programs (Workshops, Launch of BioDiversity Park, Various Awareness Talks under Sustainability) | 1,604 | KPIT has organized awareness sessions for employees to create awareness about environmental issues, to encourage them to opt for sustainable lifestyle at individual level |
| 19. | Cleanup Drives (River) - 2 drives | Not applicable | KPIT has collected 25 bags of garbage during these cleanup drives (around 236kgs of garbage) |

*E waste recycling project is a joint initiative with another corporate, the Numbers reported here are the proportionate to the funds donated by KPIT.

**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.**




KPIT is addressing evolving consumer demand for sustainable products by providing green technology and services in the electric vehicle ("EV") sector. This contributes significantly to the global shift toward sustainable mobility and underscores KPIT's commitment to environmental stewardship. By prioritizing customer feedback, KPIT enhances its offerings, strengthens market position, and boosts user satisfaction. These efforts reflect KPIT's dedication to driving sustainable growth and meeting the dynamic needs of the mobility industry.

### Essential Indicators

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

KPIT has established a robust system for managing client complaints, detailing team responsibilities and contact information for each project. Clients can email inquiries to the designated team or escalate issues to higher personnel or the project leader for quick resolution. After project completion, KPIT solicits structured feedback via Customer Satisfaction (CSAT) surveys, assessing delivery, quality, cost management, and responsiveness, while inviting improvement suggestions. The Company reinforced its commitment to product quality by expanding the Katapult framework to include additional KPIs focused on code and test quality, and broadened its coverage across more projects. This expansion led to significant benefits for customers, ensuring consistent and continuous product quality improvements. Additionally, the Company enhanced its product review process with new KPIs and is preparing to scale this initiative through automation in the upcoming financial year. The Company remained focused on the First Time Right mindset, supported by clear metrics to track progress, which is crucial for achieving its Zero-Defect Delivery goal.

**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 an IT Product/Service industry and does not manufacture any product |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

**3. Number of consumer complaints in respect of the following:**

| | FY 2024-25 (Current Financial Year) | | Remarks | FY 2023-24 (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 2024-25. | | | 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. | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive trade practices | | | | | | |
| Unfair trade practices | | | | | | |
| Other | | | | | | |

## Business Responsibility & Sustainability Report (Contd.)

**4. Details of instances of product recalls on account of safety issues**

| | Number | Reason for Recall |
|---|---|---|
| Voluntary recalls | KPIT is not a manufacturing Company hence there are no recalls on account of safety issues. | |
| Forced recalls | | |

**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.**

KPIT is committed to data privacy and leads in securing the technological landscape with robust security measures ensuring the confidentiality, integrity, and availability of data. The Company enhances its protections against evolving risks with comprehensive cyber insurance. Its global cybersecurity framework includes governance, policies, training, and incident management, supported by privacy impact assessments, data mapping, and third-party oversight for compliance. KPIT maintains high information security standards through certifications like ISO/IEC 27001 and TISAX, focusing on data protection and third-party connections. The Company also adheres to regulatory compliance to uphold client trust and confidence through rigorous security practices. To align the processes with evolving cybersecurity requirements, particularly ISO 21434, the Company enhanced its KQMS during the year with the support of both internal experts and external industry consultants. In parallel, the Company strengthened the existing functional safety processes to comply with the latest version of ISO 26262. The Company has also initiated its journey towards Cybersecurity Management System (CSMS) and Functional Safety Management System (FSMS) certifications.

**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 incidents related to advertising, delivery of essential services, cybersecurity and customer data privacy, product recalls, or penalties/actions by regulatory authorities concerning product or service safety.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches**

None

**b. Percentage of data breaches involving personally identifiable information of customers**

Not applicable

**c. Impact, if any, of the data breaches**

Not applicable

**Note:** Independent reasonable assurance has been carried out by C N K & Associates LLP on above indicator. Refer page no. 172 for Reasonable Assurance Report.

### Leadership Indicators

**1. Channels/platforms where information on products and services of the entity can be accessed.**

KPIT Technologies acts as a global partner in the automotive and mobility ecosystem, playing a crucial role in advancing software-defined vehicles. As a leading independent software development and integration partner, KPIT is devoted to driving mobility toward a clean, smart, and safe future. The Company builds long-term relationships with its clients, offering services, tools, platforms, and accelerators tailored to specific programs. A comprehensive overview of KPIT's solutions, services, and products is available at 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.





Business Responsibility & Sustainability Report (Contd.)

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

KPIT has implemented a Business Continuity Plan ("BCP") to ensure ongoing engagement and communication with its clients. This comprehensive framework supports multilevel communication and includes a technology engagement plan with detailed steps for various program aspects, helping clients develop their own BCPs and address business challenges with technological solutions. Clients have praised KPIT's swift responsiveness, quality control, data protection, and support in maintaining continuity. For strategic clients, KPIT conducts periodic reviews involving senior management to evaluate the engagement and its future, providing valuable opportunities to understand clients' roadmaps and share updates on KPIT's 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. 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)**

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.

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 Promoter Scores (NPS). KPIT elevates the experience further by capturing invaluable qualitative insights through one-on-one meetings between the Company's executives and the esteemed clients.

## Business Responsibility & Sustainability Report (Contd.)

### INDEPENDENT REASONABLE ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT CORE KPIs OF KPIT TECHNOLOGIES LIMITED

To

The Board of Directors

KPIT Technologies Limited

Pune, Maharashtra, India.

We have undertaken to perform a Reasonable Assurance for Business Responsibility Sustainability Report [hereinafter "BRSR"] 'Core Key Performance Indicators (KPIs)' for KPIT Technologies Limited vide Engagement Letter dated 19th February 2025 in respect of the agreed BRSR in accordance with the criteria stated below. This is included in BRSR of the Company for the financial year ended 31st March 2025.

### CRITERIA

The criteria used by the Company to prepare the Identified Sustainability Information is as per the guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:

- SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023
- SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12th July 2023

and clarifications issued for the same.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social, governance and environmental experts.

### IDENTIFIED SUSTAINABILITY INFORMATION

The identified Sustainability Information for the financial year ended 31st March 2025 is summarized below as per Appendix 1;

The areas for which Reasonable assurance is undertaken are also given in Appendix 1 to the report and

Our Reasonable Assurance engagement was with respect to the year ended 31st March 2025 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

### MANAGEMENT'S RESPONSIBILITY

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, considering applicable laws and regulations, if any, related to reporting on Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of

BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

### INHERENT LIMITATIONS

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.





## Business Responsibility & Sustainability Report (Contd.)

### OUR INDEPENDENCE AND QUALITY CONTROL

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) and have the required competencies and experience to conduct this assurance engagement and

The firm applies 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" issued by the ICAI and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### OUR RESPONSIBILITY

Our responsibility is to express a Reasonable assurance conclusion, as applicable and given in the Appendix 1 to this report on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained;

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the ICAI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances;

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

### BASIS OF OPINION:

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability indicators and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the identified sustainability indicators;
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment, Social, Governance (ESG), and those with responsibility for managing the Company's BRSR;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites and corporate office visited;
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing and extent of further procedures;
- Checked the consolidation for various sites and corporate offices under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported;
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures;
- Performed substantive testing on a sample basis of the Identified Sustainability Indicators at corporate head office, and 7 other sites located at Pune, Bengaluru and Kochi (Chennai was excluded since it works through a co-working space and all the data pertaining to electricity, water, waste is covered by the landlord) to verify that data had been appropriately measured with underlying documents recorded, collated and reported;
- Assessed records and performed testing including recalculation of sample data;
- Reviewed records and performed testing including recalculation of sample data;
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by Securities and Exchange Board of India (SEBI) followed by the Company in preparing the BRSR Core KPIs;

## Business Responsibility & Sustainability Report (Contd.)

- Assessed the BRSR Core KPIs for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information and
- Obtained representations from Company's Management.

### EXCLUSIONS:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- To provide a Limited assurance conclusion
- Operations of the Company other than those mentioned in the "Scope of Assurance" as per the above referred Engagement Letter dated 17th February, 2025;
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e., Financial Year 2024–25 and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

### OPINION ON THE REASONABLE ASSURANCE

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the financial year ended 31st March 2025 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

### RESTRICTION ON USE

Our Reasonable Assurance Report and conclusion have been prepared and addressed to the Board of Directors of KPIT Technologies Limited at the request of the company solely, to assist company in reporting on Company's core KPIs sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addresses of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

FOR **C N K & ASSOCIATES LLP**
Chartered Accountants
Firm Registration Number: 101961 W/W – 100036

Himanshu Kishnadwala
Partner
Membership Number: 037391

Date: 28th April 2025
Place: Mumbai
UDIN: 25037391BMLFTS7469

### APPENDIX 1:

| Sr No. | Indicator Number | Name of Indicator | Type of Assurance |
|---|---|---|---|
| 1 | Section C - Principle 6 -Q7 | Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format | Reasonable |
| 2 | Section C - Principle 6 -Q3 | Provide details of the following disclosures related to water withdrawal, in the given format | Reasonable |
| 3 | Section C - Principle 6 -Q4 | Provide the following details related to water discharged | Reasonable |
| 4 | Section C - Principle 6 -Ql | Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format | Reasonable |
| 5 | Section C - Principle 6 -Q9 | Provide details related to waste management by the entity, in the given format | Reasonable |
| 6 | Section C - Principle 3 - Q1c | Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format | Reasonable |
| 7 | Section C - Principle 3 - Q11 | Details of safety related incidents, in the given format | Reasonable |
| 8 | Section C - Principle 5 - Q3b | Gross wages paid to females as % of total wages paid by the entity, in the given format | Reasonable |
| 9 | Section C - Principle 5 - Q7 | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format | Reasonable |
| 10 | Section C - Principle 8 -Q4 | Percentage of input material (inputs to total inputs by value) sourced from suppliers | Reasonable |
| 11 | Section C - Principle 8 - Q5 | 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 given locations, as % of total wage cost | Reasonable |
| 12 | Section C - Principle 9 - Q7 | Provide the following information relating to data breaches:<br>a. Number of instances of data breaches<br>b. Percentage of data breaches involving personally identifiable information of customers<br>c. Impact, if any, of the data breaches | Reasonable |
| 13 | Section C - Principle 1 - Q8 | Number of days of accounts payables (Accounts Payable * 365) / cost of goods/services procured) in the given format. | Reasonable |
| 14 | Section C - Principle 1 - Q9 | Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the given format | Reasonable |

# 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, and 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 Enterprise Risk Management Committee of the Board oversees the implementation of risk management framework across the Company. The Company has created a 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 Enterprise 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 & Governance risk.

All identified key risks are mapped with Company's Strategy, Mission and Business environment –

**Strategy**

1. Disruption in Mobility Industry

**Mission**

1. Technology disruption
2. Delivery excellence
3. Top talent retention and attraction
4. Inability to grow in key accounts and revenue concentration
5. Profitability improvement

**Business Environment**

1. Major currency fluctuation
2. Economic & Political events impacting business stability
3. Liability from customer contracts
4. IT Infrastructure availability & Cyber security risk
5. Intellectual Property infringement
6. Data Privacy risk
7. Non-compliance to applicable laws, regulations
8. Environmental, Social and Governance risk





## Enterprise Risk Management (Contd.)

**Summary of key risks**

| Risk & Impact | Mitigation Plan |
|---|---|
| **Disruption in Mobility Industry -** | |
| Company's current revenues are generated from automotive and mobility ecosystem and in particular passenger car segment. Cyclical nature / disruption in automotive industry Global slowdown and regulatory changes globally can have an impact on Company's growth and profitability. | Monitor the Automotive and Mobility industry to have visibility of industry software spend.<br>Develop strategy to mitigate the impact on business due to disruption in Automotive industry.<br>Create differentiated offerings and evaluate adjacent verticals and new geographies.<br>Investments aligned to client software spend to support client's roadmap of software defined vehicles and software architecture programs.<br>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.<br>Evaluate, assess and adopt new business models and disruptive technologies.<br>Focus on new offerings to remain ahead in cutting edge technology areas.<br>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.<br>Strong focus on building SCALE through automation, AI based technologies and engineering productivity improvement and First-time right deliverables.<br>Adopt agile delivery models and build right competencies for delivery and have measures in place to review and mitigate risks.<br>Engage with clients and lead to help clients for achieving their desired goals successfully.<br>Proactive planning, prioritization and process automation for timely deliveries.<br>Multi-level reviews system for review of project delivery and control, delivery planning and execution of client programs through delivery excellence program. |
| **Top Talent retention & attraction –** | |
| Ability to attract and retain talent, especially having competence in new technology areas including AI 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.<br>Training programs for continuous upgradation of skills and certifications to improve competency across all the experience levels.<br>Leadership development, Individual development plans and career planning for employees.<br>Effective employee engagement and recognition framework at different level including ESOPs, with focus on top talent.<br>Focus on Culture of Excellence and Sustainability. |

## Enterprise Risk Management (Contd.)

| | |
|---|---|
| **Inability to grow in key clients and revenue concentration –** | |
| 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.<br>Prioritization of investments in select Clients.<br>Build the strategy for disrupters.<br>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.<br>Client engagement for understanding technology road map and goals of clients in order to cultivate relationship and serve better.<br>Strategy for new offerings and focus on Commercial Vehicles and Off-Highway verticals. |
| **Profitability improvement –** | |
| 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's cost is significant cost to 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.<br>Focus on improvement in rate realization, align costs with revenue visibility.<br>Leverage global delivery model for effective use of talent across various centers and focus on increase in offshore and nearshore.<br>Investment in hiring, training and competency development in order to increase productivity.<br>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").<br>Selection of right hedging products in line with the Company policy.<br>Continue to monitor currency movement in the market and its possible impact in medium term. |
| **Economic & Political risk –** | |
| The Company as well as its clients have a global footprint and are affected by economical & political events occurring across the 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.<br>Regular review of changes in regulations, especially immigration laws is done as part of proactive planning.<br>Continue to monitor global situations and evaluate its impact of business.<br>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. |





## Enterprise Risk Management (Contd.)

| | |
|---|---|
| **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, and taking appropriate risk covers if required.<br>Establishing service delivery excellence by strengthening program management capability & global delivery management framework.<br>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.<br>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.<br>Additional investments and surveillance for increased threats, increase awareness of cyber security and have systems & processes for responding to disruptive incidents.<br>Conduct trainings and awareness programs on Information Security covering all employees and partners.<br>Audits by reputed third party agencies and implementation of additional systems, processes and measures for enhancement of cyber security.<br>Business Continuity Plan for responding to any crisis event to minimize disruption. |
| **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 litigation, huge penalties and impact on reputation. There is increased probability of this risk due to AI based technologies.<br>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.<br>Update and implement IP infringement policy / framework based on external review.<br>Establish an IP management framework, processes and procedures that address the risk of infringement of third-party IP and ensure safeguarding of own IP assets.<br>Evaluate exposure due to AI based technologies, if any and work on mitigation strategies. Ensure appropriate access controls in place.<br>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.<br>Review and update privacy policies and privacy-related clauses and third-party agreements for compliance with regulatory requirements.<br>Focus on increased awareness through trainings. |

## Enterprise Risk Management (Contd.)

| | |
|---|---|
| **Non-compliance with applicable laws, regulations –** | |
| The Company has a global presence and needs to comply with all laws and regulations across jurisdictions. If we are not able to comply with the laws (e.g., immigration, wages, tax etc.), it could result in litigations, fines, and loss of reputation. | Comprehensive compliance framework and controls to identify the changes to the regulatory landscape, assess their impact and implement appropriate actions through compliance management tool.<br>Periodic compliance confirmations from responsible officials. |
| **Environmental, Social and Governance risk ("ESG") –** | |
| Extreme weather conditions may impact business operations. Stakeholders' expectations and disclosure requirements are still evolving. ESG is used by investors and clients for strategic partnerships. Low sustainability scores may impact on 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.<br>Collaborate on sustainability with clients through aligned offerings to scale impact.<br>Define organization goals towards ESG and track the performance.<br>Utilize renewable solar energy in campus, water management through recycling, reduce energy consumption through integration of cutting-edge technologies to reduce carbon footprint.<br>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. The following are some of the research projects under development:

### KPIT INTEGRATED TEST ENVIRONMENT (KITE) PLATFORM

Following enhancements/features implemented

- Headless Mode for KITE Execution
- Headless execution status on Console and GUI
- Implement Floating License Management
- LDAP authentication support in Floating License
- Session management and auto log off
- Support for I2C Communication Protocol for Device Communication
- KITE compatibility on windows 11 operating system
- Ethernet integration in KITE using Technica devices
- Automotive Ethernet protocol support via arxml - wired network
- KITE Support for ethernet logging
- Short/Beep audio validation
- Support for performing drag operation based on Image
- Support for AM_HD, FM_HD, DAB in KITE
- Management of status for Function Block, Test Script and Test Pack
- Generate PDF reports of Multiple Iteration in one PDF
- Directory level access control in KITE

### KPIT AI PLATFORM

The KPIT AI Platform is the result of extensive research conducted by the CTO - AI Office team, focused on understanding the needs of various practices and analyzing cutting-edge AI technologies to build Automotive Engineering solutions. It is a securely hosted solution designed to power AI-driven Automotive applications. The platform offers access to a diverse range of open-weight AI models, including text, embedding, and multi-modal capabilities, with image generation capabilities currently in the pipeline.

- Unified AI Access: A streamlined API provides easy access to a variety of AI models, simplifying integration and enhancing deployment efficiency.
- Intelligent Routing Proxy: A built-in proxy monitors and intelligently, routes user prompts to the most appropriate AI model. It also incorporates auditing capabilities to ensure security and compliance.
- Retrieval-Augmented Generation (RAG): The platform offers an API-driven Retrieval-Augmented Generation system for handling both unstructured data and automotive-specific structured data formats, enabling highly accurate AI responses.
- Low-Code AI Flow Builder: Users can visually design AI flows, including agentic flows that integrate seamlessly with various agent-accessible tools, through an intuitive low-code interface. Developers can also use APIs to build and customize agent workflows through code, enabling deep personalization and advanced configurations.
- Tailored AI Tooling for SDLC: The platform is being actively enhanced with specially designed tools to integrate AI-driven solutions into every stage of the Software Development Lifecycle (SDLC), enhancing productivity and innovation.
- Comprehensive Metrics and Dashboards: Real-time dashboards provide clear visibility into KPIs, enabling data-driven decision-making with in-depth performance metrics and insights.

The KPIT AI Platform is designed to leverage the cutting edge of AI and Generative AI research, delivering a consumable set of services to unlock AI innovation within KPIT for engineering practices and functions.

### SODIUM-ION BATTERY TECHNOLOGY

- KPIT has transferred the sodium ion Battery Technology to Trentar Energy Services.
- Design and development of Sodium-ion Battery for automotive and stationary applications.
- Design and development of faster, safer, and more temperature tolerant sodium ion battery technology.
- Continuous ongoing Research and Development efforts in improving battery performance, cost and durability.
- Cathode Raw material scales up from Lab to Pilot scale.

### PROJECTS

- 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 battery module/ pack demonstration and field trails in telecom power back up applications.

## R & D Activities (Contd.)

- 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: 30
- Number of patents filed in FY 2024-25: 1 (1 provisional specification)
- Number of patents granted in FY 2024-25: 11

### DOMAIN-WISE BREAKUP OF PATENTS FILED TILL DATE

- Number of patents related to ADAS (Advanced driver assistance system) technology – 14
- Number of patents related to Sentient project- 5
- Number of patents related to EV technology- 2
- Number of patents related to Autonomous Vehicle technology - 2
- Number of patents related to other technologies, like DCS, Cyber security, Diagnostics, etc.- 7

### PATENT DESCRIPTION (FILED)

| Sr. No. | Patent title | Application Type | Description |
|---|---|---|---|
| 1. | A sodium-sulfur battery and preparation method thereof | Provisional application | The idea relates to a high-capacity and high energy density battery technology, and in particular relates to a high-capacity cathode and anode for sodium-sulfur battery and a scalable preparation method thereof. The method comprises synthesizing a high-capacity carbon-sulfur cathode based on simple and traditional melt-infiltration technique. According to the method of the present invention, different porous carbon hosts with SSA in the range of 800$m^2$ /g to 1800$m^2$ /g were used to encapsulate small sulfur molecules. The preparation method for carbon-sulfur cathode comprises the steps of: blending sulfur and carbon in the weight ratio between S:C of 0.67:1 to 8:1, homogeneously with different physical and/or mechanical mixing methods (for e.g. ball milling), placing the mixture in a furnace and having a two-step heat treatment for complete infiltration of sulfur into carbon pores, and removing the superfluous sulfur by evaporation process. Finally, the obtained carbon-sulfur composite powder is subjected to ball milling. The present invention provides a simple, scalable, economical and environmentally friendly synthesis method to produce carbon-sulfur composite material used for room temperature sodium-sulfur batteries |





## R & D Activities (Contd.)

### PATENT DESCRIPTION (GRANTED)

| Sr. No. | Patent No. | Country of Grant | Patent Title | Description |
|---|---|---|---|---|
| 1. | US 11982736 | U.S. | Perception Sensors Based Fusion System for Vehicle Control and Method Thereof | The disclosure relates to a system implemented in a host vehicle, comprising: a radar based detection unit having radar sensors, for detecting one or more targets around the host vehicle; a vision based detection unit with image sensors, for detecting one or more targets in the field of view of the host vehicle; and a processing unit to: receive information corresponding to detected targets from each of the radar based detection unit and the vision based detection unit; match each of the targets detected by the radar based detection unit with targets detected by vision based detection unit to identify a target as a matched target; categorize the matched target as a locked target; and track the locked target using information received from the radar based detection unit. |
| 2. | VN 1-2021-06840 | Vietnam | 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. |
| 3. | IN 535086 | India | Bi-directional Actuator | An actuation control device for controlling transmission of an actuation force to one or a plurality of actuation operated features, wherein the actuation control device includes: a plurality of bevel gears including: at least one input gear; at least one intermediate gear; and at least one output gear; at least one ring operatively coupled to said at least one intermediate gear, and a plurality of locks; wherein selective engagement and/or disengagement of one, some or all of said plurality of locks allow for any or a combination of (a) no transmission of actuation force, (b) transmission of actuation force in same rotational direction and (c) transmission of actuation force in opposite rotational direction. The present disclosure also provides a vehicle seat positioning system incorporating advantageous actuation control device realized in accordance with implementations of the present disclosure. |

## R & D Activities (Contd.)

| Sr. No. | Patent No. | Country of Grant | Patent Title | Description |
|---|---|---|---|---|
| 4. | IN 536072 | India | Perception Sensors Based Fusion System for Vehicle Control and Method Thereof | The disclosure relates to a system implemented in a host vehicle, comprising: a radar based detection unit having radar sensors, for detecting one or more targets around the host vehicle; a vision based detection unit with image sensors, for detecting one or more targets in the field of view of the host vehicle; and a processing unit to: receive information corresponding to detected targets from each of the radar based detection unit and the vision based detection unit; match each of the targets detected by the radar based detection unit with targets detected by vision based detection unit to identify a target as a matched target; categorize the matched target as a locked target; and track the locked target using information received from the radar based detection unit. |
| 5. | IN 540087 | India | Adaptive Braking System | The disclosure pertains to an adaptive braking system comprising an electromechanical unit that comprises a twin pushrod i.e. one push rod, and another push rod, along with a bush for transferring the linear motion from the screw shaft to the push rod and, in turn, to piston of a master cylinder. The system comprises of a screw mechanism after a bush that translates turning motion of a gear nut to linear motion of a screw shaft. Notably, an ECU effectuates the EMU, wherein the ECU is configured with one or more sensors to measure the required vehicle parameter(s) and provide feedback thereto. |
| 6. | US 12103521 | U.S. | System and Method for Automatic Emergency Braking | The pedestrian tracking system implemented in a host vehicle is disclosed. The system estimates trajectories of the host vehicle, and the pedestrian based on factors of position and velocity of the host vehicle and parameters of position and velocity of the pedestrian. The trajectories of the host vehicle and the pedestrian are estimated to estimate a point of intersection of the host vehicle and the pedestrian. Further, the system estimates time to collision based on the estimated point of intersection and determines trajectory of the pedestrian in path of the host vehicle. Furthermore, the system assesses collision risk to select the pedestrian as a target and generates a deceleration actuation command to decelerate the host vehicle based on the selected target, which is provided to an automatic emergency braking (AEB) actuation unit. |
| 7. | IN 548695 | India | A system and method for estimating a state of charge of a battery | The idea discloses a system and method for estimating a state of charge (SOC) of a battery. The method comprises extracting raw features from the battery at different time intervals. Further, the method comprises receiving the extracted raw features at different time intervals as an input and generating one or more processed outputs corresponding to the extracted raw features to derive one or more feature vectors, wherein each of a processed output of the one or more processed outputs comprises a current entropy (IE), a voltage entropy (VE), and a difference in open circuit voltage (DOCV), the voltage, the current and the temperature. Further, the method comprises transmitting the one or more feature vectors derived from the one or more processed outputs corresponding to the different time intervals, to a deep learning module to estimate the SOC of the battery. |





## R & D Activities (Contd.)

| Sr. No. | Patent No. | Country of Grant | Patent Title | Description |
|---|---|---|---|---|
| 8. | IN 551583 | India | System and method for secure identification, registration and commissioning of security devices | A system and method for secure identification, registration, and commissioning of security devices to an OEM backend is disclosed. The devices are capable of on-board auto-generation and storage of security keys, and root certificates in the HSM key storage of the corresponding devices, and storage of a self-signed certificate in the OEM backend and devices at factory stage. Further, the system and method involve a second computing unit (TCU) that receives self-signed certificate from the OEM backend, upon verification of unique identifiers associated with the devices by the OEM backend. The TCU further verifies an authentication token received from the device in response to a challenge token generated by the TCU, by extracting a public key of the corresponding device, 15 from the self-signed certificate. Upon verification of the authentication token by the TCU, the OEM backend and TCU register the corresponding devices as authorized devices. |
| 9. | IN 553120 | India | Adaptive Throttle System | An adaptive throttle control apparatus to control engine throttle valve is disclosed. The apparatus comprises throttle motor; planetary gear train that receives input from the motor coupled to sun gear of the gear train for motorized actuation of the throttle valve. Output to throttle valve is provided from planetary carrier of the gear train through a flexible cable. ECU of the engine controls throttle motor for actuation of the throttle valve during motorized mode of operation to achieve required vehicle performance parameters based on inputs from plurality of sensors. The gear train gets inputs from accelerator pedal as well, which is connected to ring gear of the gear train through another flexible cable for manual mode of operation which gets overriding priority over motorized mode. A screw-nut type locking mechanism is also provided to have flexibility to switch between manual and motorized control of throttle valve. |
| 10. | IN 553422 | India | System and method for estimating state of health and remaining useful life of a battery | The invention relates to a hybrid system and method for estimating the state of health (SOH) and remaining useful life (RUL) of Li-ion, a battery of an electric vehicle. The system comprises sensors connected to the battery to monitor electrical attributes such as current, voltage, temperature, and CC-CV switch count of the battery. A first deep learning computing unit (DLCU) that receives the values of electrical attributes as input and correspondingly predicts the SOH of the battery. A second DLCU is operatively coupled to the sensors and the first DLCU, which receives the values of the monitored electrical attributes and the predicted SOH as input and correspondingly predicts the SOH of the battery. The first and second DLCU comprise an LSTM network configured with an attention mechanism. The system removes deviating and inconsistent inputs and considers only consistent values of electrical attributes for SOH and RUL prediction, thereby making the system accurate and reliable. |

## R & D Activities (Contd.)

| Sr. No. | Patent No. | Country of Grant | Patent Title | Description |
|---|---|---|---|---|
| 11. | CN 201980096688.9 | China | 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. |

### Technical Publications:

| Sr. No. | Paper Title | Conference | Domain |
|---|---|---|---|
| 1. | Design Optimization of Heat Transfer in Automotive Battery Using Generalized Neural Network Regression | RVW- 2024, SAE conference | Generalized Neural Network Regression- Automotive battery |
| 2. | Design Optimization of Air Duct for Noise Reduction Using Gaussian Process Regression Algorithm | RVW- 2024, SAE conference | Gaussian Process Regression Algorithm- HVAC duct noise reduction |
| 3. | Integrating Tolerance Analysis in Early Design Phases through SysML Approach | 22nd International VDI congress ELIV | Processes: Virtual, Simulation & Validation |
| 4. | Leveraging AI/ML Techniques in Software Defined Architecture: Towards Emotional Quotient Prediction in Smart Automotive Cabins by Integrating Physiological and Vehicle Data | ELIV-VDI | AI/ML on Body Features |





# 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.<br>Tel No. +91-20-6770 6000<br>Website: www.kpit.com. |
| 2. | **Date of Incorporation** | : | January 08, 2018 |
| 3. | **Registration No./CIN** | : | L74999PN2018PLC174192 |
| 4. | **Date, Time and Venue of 8th AGM** | : | 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** | : | July 28, 2025 |
| 6. | **Dividend Payment Date** | : | Within the statutory time limit of 30 days subject to shareholders' approval. |
| 7. | **Financial Year** | : | April 01, 2024 - March 31, 2025 |
| 8. | **Financial Calendar for 2025-2026 (tentative and subject to change)** | | |
| | Financial reporting for the first quarter ending June 30, 2025 | : | July 2025 |
| | Financial reporting for the second quarter ending September 30, 2025 | : | October 2025 |
| | Financial reporting for the third quarter ending December 31, 2025 | : | January 2026 |
| | Financial reporting for the last quarter and year ending March 31, 2026 | : | April 2026 |
| | Annual General Meeting for the year ending March 31, 2026 | : | July/August 2026 |
| 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.<br>**NSE Code : KPITTECH** |
| | BSE Limited | : | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.<br>**BSE Code: 542651** |
| | ISIN Number of the Company | : | INE04I401011 |

The Company has paid the Annual Listing Fee for the Financial Year 2025-26 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, Vice President, 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 Mr. Ashish Malhotra, General Counsel & Company Secretary and Nodal Officer, No.: +91 20-6770 6000, E-mail: Ashish.Malhotra@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. 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.

## Additional Shareholders Information (Contd.)

The share transfer activities are carried out by our RTA, the details of which are already given. The share transfers are carried out within a period of fifteen days from the date of receipt of request for transfer, provided all the documents received are in order.

### 12. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2025, 99.92% 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 the Enterprise Risk Management Section and Management Discussion and Analysis Report for foreign exchange risk and hedging activities.

### 15. PLANT LOCATIONS:

The Company being in software business, does not require manufacturing plant and has software development centers in India and abroad. The addresses of the global development centers/ offices of the Company are given elsewhere in the annual report.

### 16. CREDIT RATINGS:

Information on the Credit ratings of the Company is given in this Annual Report.

### 17. SHARES ALLOTTED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2025:

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 the 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, 2025:

| Category | No. of shares held | % of total share capital |
|---|---|---|
| **Promoters & Promoters Companies** | **10,82,09,805** | **39.47** |
| **Public** | | |
| Mutual Funds | 3,65,25,670 | 13.32 |
| Foreign Portfolio Investors | 4,70,84,237 | 17.18 |
| Bodies Corporate | 42,32,649 | 1.54 |
| Non-Resident Indian | 49,69,509 | 1.81 |
| Others | 7,06,80,499 | 25.78 |
| **Non-Promoter – Non-Public** | **24,41,439** | **0.89** |
| **Total** | **27,41,43,808** | **100.00** |

### 19. AS ON MARCH 31, 2025, 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 Parshuram Patil | 1,33,45,605 | 4.87 | Promoter |
| 3 | Massachusetts Institute of Technology | 85,22,617 | 3.11 | Foreign Portfolio Investors (Corporate) |





## Additional Shareholders Information (Contd.)

| | | | | |
|---|---|---|---|---|
| 4 | Canara Robeco Mutual Fund A/C Canara Robeco Mid Cap | 77,02,748 | 2.81 | Mutual Fund |
| 5 | Mirae Asset Nifty Midcap 150 ETF | 53,51,281 | 1.95 | Mutual Fund |
| 6 | Motilal Oswal Nifty Midcap 100 ETF | 49,50,071 | 1.81 | Mutual Fund |
| 7 | ICICI Prudential Life Insurance Company Limited | 42,65,358 | 1.56 | Qualified Institutional Buyer |
| 8 | Marathon Edge India Fund I | 40,46,784 | 1.48 | Alternate Investment Fund |
| 9 | Life Insurance Corporation of India | 36,20,365 | 1.32 | Qualified Institutional Buyer |
| 10 | HDFC Life Insurance Company Limited | 32,70,970 | 1.19 | Qualified Institutional Buyer |
| | **Total** | **14,39,37,299** | **52.50** | |

### 20. DISTRIBUTION SCHEDULE AS ON MARCH 31, 2025:

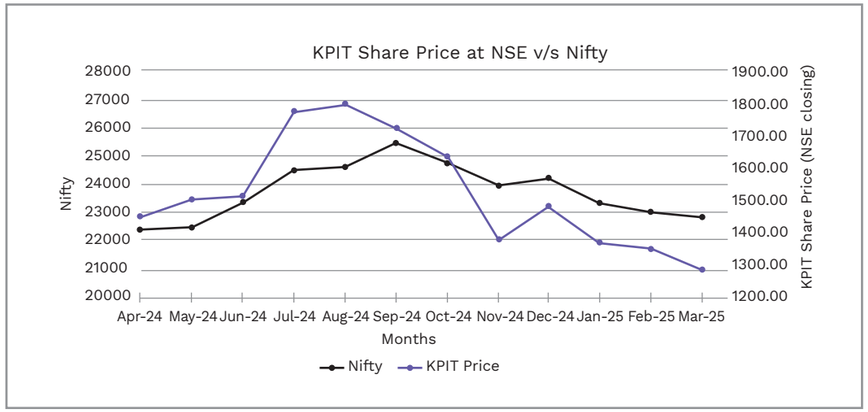
| Quantity of Shares From – To | Shareholders Number | Shareholders % | Face Value of shares held (₹) | % |
|---|---|---|---|---|
| 1-5000 | 6,19,214 | 97.99 | 24,97,58,640 | 9.11 |
| 5001- 10000 | 6,793 | 1.07 | 5,08,13,620 | 1.85 |
| 10001- 20000 | 3,076 | 0.49 | 4,62,26,150 | 1.69 |
| 20001- 30000 | 833 | 0.13 | 2,08,57,310 | 0.76 |
| 30001- 40000 | 469 | 0.07 | 1,68,12,310 | 0.61 |
| 40001- 50000 | 277 | 0.04 | 1,26,98,280 | 0.46 |
| 50001- 100000 | 510 | 0.08 | 3,67,58,490 | 1.34 |
| 100001 & above | 751 | 0.12 | 2,30,75,13,280 | 84.17 |

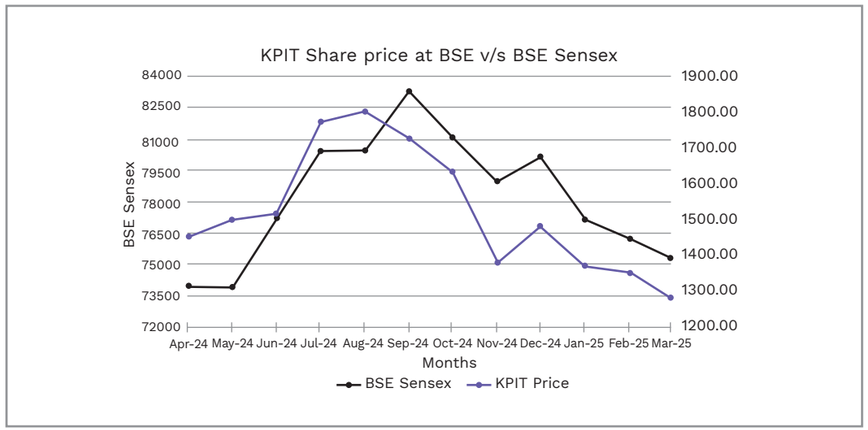
### 21. MONTHLY HIGH / LOW AND AVERAGE OF KPIT'S SHARE PRICES ON THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE) AND BSE LIMITED (BSE):

| 2024-2025 | NSE | | | | BSE | | | | Total Volume |
|---|---|---|---|---|---|---|---|---|---|
| | High | Low | Average | Volume | High | Low | Average | Volume | NSE + BSE |
| April '24 | 1,561.90 | 1,361.00 | 1,452.31 | 2,39,61,698 | 1,561.45 | 1,361.30 | 1,452.08 | 23,59,283 | 2,63,20,981 |
| May '24 | 1,616.00 | 1,423.70 | 1,501.80 | 1,71,99,998 | 1,615.95 | 1,422.65 | 1,501.79 | 16,23,956 | 1,88,23,954 |
| June '24 | 1,698.70 | 1,293.05 | 1,517.07 | 2,45,83,279 | 1,698.95 | 1,296.45 | 1,516.73 | 18,44,347 | 2,64,27,626 |
| July '24 | 1,928.70 | 1,636.00 | 1,775.69 | 3,31,95,846 | 1,928.75 | 1,636.95 | 1,774.99 | 22,76,533 | 3,54,72,379 |
| Aug '24 | 1,921.00 | 1,685.00 | 1,800.85 | 1,57,90,629 | 1,919.95 | 1,685.05 | 1,800.46 | 10,98,168 | 1,68,88,797 |
| Sept '24 | 1,859.95 | 1,625.00 | 1,726.35 | 1,71,67,543 | 1,855.75 | 1,625.30 | 1,726.15 | 8,35,369 | 1,80,02,912 |
| Oct '24 | 1,822.90 | 1,309.05 | 1,636.93 | 3,55,10,429 | 1,822.00 | 1,308.30 | 1,636.25 | 16,24,883 | 3,71,35,312 |
| Nov '24 | 1,520.00 | 1,283.25 | 1,382.26 | 2,13,73,157 | 1,519.95 | 1,283.30 | 1,382.01 | 10,97,143 | 2,24,70,300 |
| Dec '24 | 1,563.35 | 1,340.00 | 1,482.21 | 2,72,76,471 | 1,562.90 | 1,340.00 | 1,482.15 | 14,17,435 | 2,86,93,906 |
| Jan '25 | 1,500.00 | 1,223.25 | 1,372.77 | 3,83,62,162 | 1,500.00 | 1,223.75 | 1,372.86 | 19,72,897 | 4,03,35,059 |
| Feb '25 | 1,475.00 | 1,192.00 | 1,353.14 | 1,60,41,310 | 1,475.00 | 1,193.00 | 1,352.86 | 8,38,249 | 1,68,79,559 |
| March '25 | 1,414.00 | 1,142.30 | 1,283.88 | 1,86,29,370 | 1,410.95 | 1,142.15 | 1,283.66 | 9,89,515 | 1,96,18,885 |

## Additional Shareholders Information (Contd.)

### 22. SHARE PERFORMANCE CHART OF THE COMPANY IN COMPARISON TO BSE SENSEX AND NIFTY:




### 23. COMPANY'S MECHANISM FOR PROHIBITION OF INSIDER TRADING:

Insider trading is the illegal and unethical practice of trading in the securities of the Company by persons who have access to Unpublished Price Sensitive Information (UPSI) about the company or communicate or procure UPSI for personal gain or to benefit others. Insider trading erodes the confidence and trust of the investors and the public in the integrity and fairness of the securities market. Therefore, as mandated by SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations, 2015") and endeavors of the Company for good corporate governance, KPIT has established a robust system which actively tracks trading by Designated Persons including their immediate relatives and flow of the 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 Designated Persons about the PIT Regulations, 2015 and Company's Code for Prevention of Insider Trading viz. Leadership Connect, periodical/regular, seminars by external speakers, communications via e-mails and obtaining annual declarations. These activities have created substantial awareness amongst the Designated Persons.

Pursuant to the relevant 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





## Additional Shareholders Information (Contd.)

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 compliance with the provisions of the Regulations and has verified that the systems for internal controls are adequate and operate efficiently.

The Head-Investor Relations deals with dissemination of information and disclosure of UPSI under the Code, which is available on the website of the company at https://www.kpit.com/investor-gov/.

### 24. UPDATION OF PAN, KYC DETAILS AND NOMINATION BY HOLDERS OF PHYSICAL SECURITIES:

Pursuant to SEBI's Master Circular for Registrars to an Issue and Share Transfer Agents (Master Circular) dated May 07, 2024, read with Circulars dated September 26, 2023, November 17, 2023, December 27, 2023, June 10, 2024 ["SEBI Circulars"] , shareholders holding securities in physical mode are requested to furnish PAN (also linked with Aadhar number), Nomination, 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. Any service request and complaint shall be entertained only upon registration of the PAN, KYC & Bank details by holders of physical securities.

SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023, and November 17, 2023, read with Master Circular dated May 07, 2024 and circular dated June 10, 2024) mandated that the security holders (holding securities in physical form), are eligible for receipt of payment including dividend in respect of folios, only through electronic mode with effect from April 01, 2024. In case the folio(s) are not updated with the KYC details (viz., PAN; Contact Details; Mobile Number and Bank Account Details and signature) the shareholders are requested to update the same. If a security holder updates the PAN, contact details, mobile number, bank account details and 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.

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 to 'Communication to Shareholders' forming part of this annual report for more details.

### 25. SEBI COMPLIANT REDRESS SYSTEM (SCORES):

SEBI vide Master Circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023, (updated as on August 04, 2023 and December 20, 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/.

### 26. DETAILS OF DIVIDEND IN THE UNPAID / UNCLAIMED DIVIDEND ACCOUNTS AS ON MARCH 31, 2025:

**(₹ 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) | 0.79 | September 28, 2029 |
| For the financial year 2022-2023 (Interim) | 0.43 | March 06, 2030 |
| For the financial year 2022-2023 (Final) | 0.74 | October 03, 2030 |

## Additional Shareholders Information (Contd.)

(₹ in million)

| Year | Balance | Date of completion of 7 years* |
|---|---|---|
| For the financial year 2023-2024 (Interim) | 0.58 | March 04, 2031 |
| For the financial year 2023-2024 (Final) | 3.27 | September 30, 2031 |
| For the financial year 2024-2025 (Interim) | 0.87 | March 04, 2032 |

*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 obtaining payment in their bank account.

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 Clause 20 of the said Composite Scheme, on January 29, 2019, the Resulting Company 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 1,75,113 shares of Transferee Company, as a result of which shares of Resulting Company were allotted to the IEPF Authority in ratio 1:1. Aforementioned 1,75,113 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. KPIT Technologies Limited has declared & paid a final dividend and an interim dividend during the financial year 2024-25. The Dividend on Shares transferred to IEPF are credited with IEPF Authority. Members can claim back such dividends 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, 2024, TO MARCH 31, 2025:

### A. REQUESTS:

| Sr. No. | Nature of request | Opening balance as on April 01, 2024 | No. of requests received | No. of requests resolved | Closing balance as on March 31, 2025 |
|---|---|---|---|---|---|
| 1 | Clarification regarding shares | Nil | 1 | 1 | Nil |
| 2 | Correspondence/ Query relating to NSDL operations | Nil | 1 | 1 | Nil |
| 3 | Non-receipt of Annual Report | Nil | Nil | Nil | Nil |
| 4 | Non-receipt of securities | Nil | Nil | Nil | Nil |
| 5 | Non-receipt of Dividend Warrants | Nil | 30 | 30 | Nil |
| 6 | Non-receipt of securities after transfer | Nil | Nil | Nil | Nil |
| | **Total** | **Nil** | **32** | **32** | **Nil** |





## Additional Shareholders Information (Contd.)

### B. Complaints:

| Sr. No. | Nature of request | Opening balance as on April 01, 2024 | No. of requests received | No. of requests resolved | Closing balance as on March 31, 2025 |
|---|---|---|---|---|---|
| 1 | SEBI | Nil | 1 | 1 | Nil |
| 2 | BSE/NSE | Nil | Nil | Nil | 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, 2024, and at the end of the year i.e., March 31, 2025, 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, 2024 | Nil | Nil |
| (ii) | Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 01, 2024, to March 31, 2025. | Nil | Nil |
| (iii) | Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 01, 2024, to March 31, 2025. | Nil | Nil |
| (iv) | Aggregate number of shareholders and the shares from (i) above, which were transferred to IEPF during the year from April 01, 2024, to March 31, 2025. | 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, 2025 (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, 2024, to March 31, 2025. (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 30, 2024 | Audited consolidated financial results for the quarter and year ended March 31, 2024. | The Financial Express & Loksatta |
| July 25, 2024 | Unaudited consolidated financial results for the quarter ended June 30, 2024. | The Financial Express & Loksatta |
| October 24, 2024 | Unaudited consolidated financial results for the quarter and half year ended September 30, 2024. | The Financial Express & Loksatta |
| January 30, 2025 | Unaudited consolidated financial results for the quarter and nine months ended December 31, 2024. | The Financial Express & Loksatta |

The results and presentations made to institutional investors & analysts have also been regularly uploaded to the 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 been 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 business. 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 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.

The Ministry of Corporate Affairs ("MCA"), vide General Circular No. 09/2024 dated September 19, 2024, has allowed the companies to conduct Annual General Meeting ("AGM") through VC/OAVM on or before September 30, 2025, 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 19, 2024 & SEBI vide its circular dated October 03, 2024, 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, 2025. However, Companies are required to send a letter providing the web-link, including the exact path, where complete details of the Annual Report are available to those shareholder(s) who have not registered their email ids and 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.

### 31. BOARD MEMBERS' PROFILES:

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

#### CO-FOUNDER & CHAIRMAN

**Mr. S. B. (Ravi) Pandit** is the Co-founder, Non-Executive Director & Chairman of the Board of the Company. He has been instrumental in shaping the company since its inception. Under his leadership, KPIT has evolved into a global leader in software integration for the mobility industry. Over the last three decades, Mr. Pandit has guided the organization through multiple phases of growth, establishing its credibility as a trusted partner for automotive OEMs worldwide.

As Chairman, he plays a key role in defining and steering the company's long-term strategic direction. He actively engages with global thought leaders to reinforce KPIT's leadership in mobility transformation and collaborates with institutions to democratize access to advanced technologies. His commitment to building a purpose-driven and future-ready organization is reflected in KPIT's emphasis on sustainability, innovation, and societal impact. Mr. Pandit 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 the 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 medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost 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 & Managing Director of KPIT, and is responsible for the overall management and strategic direction of the organization. He leads long-range planning, mergers and acquisitions, business performance reviews, and oversees all client-facing functions, delivery practices, and enabling operations to drive organizational effectiveness.

Since co-founding KPIT in 1990, Mr. Patil has been pivotal in driving the Company's transformation. He led the strategic merger-demerger in 2018, establishing the new KPIT with a focused vision and mission. His leadership has contributed significantly to KPIT's emergence as a leading partner for global OEMs in automotive software, driving its market capitalization to over USD 5 billion.

Mr. Patil champions a culture of excellence and invests in leadership development across the organization. He is deeply passionate about leveraging technology to address business challenges and broader societal needs. His commitment to sustainability and inclusive innovation is reflected in KPIT's vision and CSR initiatives. Beyond KPIT, he plays a key role in shaping India's Engineering R&D sector, serving as Chair of the NASSCOM ER&D Council and a Member of its Executive Council.

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 AND JOINT MANAGING DIRECTOR

**Mr. Sachin Tikekar,** President, Joint Managing Director and Member of the Board, is a core member of KPIT's founding team. Over the years, he has played a strategic role in shaping KPIT's global growth and client-centric approach. In his current role, Mr. Tikekar is responsible for fostering long-term strategic relationships with clients and alliance partners worldwide. He has led the development of KPIT's focused OEM engagement strategy, which has significantly contributed to the company's industry-leading growth and brand equity across stakeholders—clients, talent, and investors. He is leading KPIT's special focus and accelerated efforts in the Truck and Off-highway segments, driving deeper strategic alignment, solution development, and client partnerships in these high-potential verticals. As executive sponsor, he also oversees KPIT operations across 17 countries and more than 25 global locations including employee experience, IT and infrastructure. His professional interests lie at the intersection of strategy, growth, and sustainability, aligning closely with KPIT's vision of contributing to a cleaner, smarter, and safer mobility ecosystem.

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 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.

## Additional Shareholders Information (Contd.)

### WHOLE-TIME DIRECTORS

**Mr. Anup Sable** is the Chief Technology Officer and Board Member of KPIT. In his current role, he leads the company's technology vision and innovation agenda. He drives the future technology roadmap aligned with evolving client priorities and the rapidly transforming mobility landscape, with a strong emphasis on AI. He has also recently established a CTO-AI function to accelerate AI-led transformation across KPIT's offerings. He is also responsible for incubation and growth of Middleware, Vehicle Networks and Virtualization practices which are key domains for future growth and enhance KPIT's value as a trusted systems and software integration partner to the mobility industry. He also serves as an executive sponsor to many of the key client accounts of the Company.

Mr. Sable has been with KPIT since 1994 and has led global teams 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. Being 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. He holds internal board member position in KPIT Technologies GmbH, Germany. Mr. Sable is a Director of MCCIA Electronic Cluster Foundation. Recently, he has accepted the Board of Governer position at the COEP Tech university in Pune and also serves on the Advisory Council of Centre for Sustainable Energy and Mobility (C-SEM) vertical at PIC in Pune. Mr. Anup Sable has 37 years of experience.

Mr. Sable, Mechanical Engineer began his career at the Automotive Research Association of India (ARAI) as a research assistant in the Powertrain domain. He also has hands on experience in electronics design as well as embedded and cloud software. 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 for digital cockpit. 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 received 'Best outgoing Mechanical Engineer' award in 1990 from College of Engineering Pune (COEP). He also represented the State of Maharashtra in Junior National competition of rowing and received Junior National Silver Medal award.

**Mr. Chinmay Pandit** is the Board Member and President – Americas. He is also Chief Risk Officer (CRO) of the Company. As Americas Geo Head, he is responsible for the overall strategy, growth plan and profitability for the Company in the Americas. This includes executive connect with key clients' leadership, business development & operations, people development and the branding & positioning of the organization.

In his additional role as the Chief Risk Officer, he is responsible for oversight and management of the company's risk profile. He is accountable for maintaining a robust risk management framework aligned with the company's business and continuously monitors & adapts risk strategies to reflect the changing business environment. He ensures the diligent application of this framework for further reporting to the CEO and the Board.

Till last year, Mr. Chinmay Pandit also headed the Commercial Vehicle vertical where he was responsible for driving growth through building trusted partnerships with leading Trucks and Off-highway OEMs.

Before heading Americas Geography, Mr. Chinmay Pandit led the Vehicle Engineering & Design practice of the Company. The vehicle Engineering & Design practice in KPIT offers new age 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. The Vehicle Engineering & Design practice consistently held the position of the most profitable business line.

Before joining KPIT, Mr. Chinmay Pandit 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 23 years, including 17 years in KPIT.

### 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





## Additional Shareholders Information (Contd.)

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, and 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.

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 a highly respected automotive industry expert and widely acknowledged thought leader, possessing a distinguished career developed over decades of impactful contributions. He holds a Master's degree in Economics from Jawaharlal Nehru University and a Post Graduate Diploma in International Trade from the Indian Institute of Foreign Trade, providing a strong foundation for his strategic insights.

Mr. Subbu began his career with Tata Motors in 1978, holding various line and staff responsibilities in commercial vehicles and multi-utility vehicles and is best known for conceptualizing and successfully introducing the TATA 2213 – a landmark Heavy Commercial Vehicle that transformed the Indian trucking industry. He also contributed to establishing the current standard for low-floor city buses in India through his work on a Government of Delhi committee. He later played a pivotal role in establishing Hyundai Motor India in 1997, initially as Director (Marketing & Sales) and subsequently as President, where he spearheaded the company's remarkable growth from an unknown name to India's second-largest car company within six months, achieving record-breaking sales and profitability.

He currently serves as Chairman of the Board of MTAR Technologies Ltd. and as an Independent Director at Gabriel India Ltd. and has previously held board positions at numerous influential companies including Proton (Malaysia), Lotus (UK), and Ola Electric.

Mr. Subbu manages 'Beyond Visual Range', a boutique strategy consulting firm specializing in 'actionable strategy' for the automotive, aerospace, defense, and engineering industries, advising prominent PE funds.

Beyond his executive and advisory roles, he offers a unique insider's perspective on the Indian automotive landscape in his book, "SANTRO – The Car That Built A Company," published by Hachette India.

**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 the 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 the

## Additional Shareholders Information (Contd.)

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 the Compliance Advisory Panel of the 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 the work of the grass root innovators which meet the criteria of "affordable excellence". Ms. Bhavna Doshi is currently a 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 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.





## Additional Shareholders Information (Contd.)

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). He was also an Independent Director, Chairman of the Nomination and Remuneration Committee & Member of the Audit committee on the Board of Cigniti Technologies Limited, Hyderabad.

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.
- 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.

**Mr. Vijay Keshav Gokhale** has extensive policy planning and administrative experience. Also, having operated at various levels within the Government, he has a deep understating of governance & processes. His expertise in international geopolitical & geoeconomic aspects aligns with the Company's strategic interests.

Mr. Gokhale holds a postgraduate degree in history from the University of Delhi. He joined the Indian Foreign Service in 1981 until his retirement from public service in January 2020. Mr. Gokhale served in Indian diplomatic missions in Hongkong, Hanoi, Beijing and New York. He served successively as the Indian Ambassador to Malaysia, Germany and People's Republic of China, he was appointed as the Foreign Secretary to the Government of India. Since his retirement from public service, Mr. Gokhale teaches at the Symbiosis International University in Pune. He is also Non-resident Senior Fellow at Carnegie India. He has written extensively on matters relating to China. He has authored four books - Tiananmen Square: The Making of a Protest (HarperCollins, May 2021); The Long Game: How the Chinese Negotiate with India (Penguin Randomhouse, July 2021); After Tiananmen: The Rise of China (HarperCollins, September 2022); and Crosswinds: Nehru, Zhou and the Anglo-American Competition over China (Penguin Randomhouse, January 2024). The Long Game: How the Chinese Negotiate with India, was awarded the Ramnath Goenka Award for Excellence in Journalism (Non-Fiction books), 2021. He has also published op-ed pieces in the New York Times, The Berlin Tages Spiegel, Handelsblatt, Foreign Policy, the Australian Strategic Policy Institute, The Hindu, The Indian Express and the Times of India.

**Mr. Ramesh Raskar** has extensive experience and innovative contributions in technology & health-tech, including Leadership roles at MIT Media Lab and Facebook, along with his numerous patents

## Additional Shareholders Information (Contd.)

and prestigious awards, his proven ability to drive technological advancements and strategic initiatives aligns with Companies' goals.

Mr. Raskar is the Associate Director of MIT Media Lab, Assoc. Prof. at MIT and director of the Camera Culture group at MIT Media Lab. At MIT, his co-inventions include Camera to see around corners, femto-photography, automated machine learning (autoML), private ML (split-learning), low-cost eye care devices (Netra, Catra, EyeSelfie), a novel CAT-Scan machine, motion capture (Prakash), long distance barcodes (Bokode), 3D interaction displays (BiDi screen), new theoretical models to augment light fields (ALF) to represent wave phenomena and algebraic rank constraints for 30 displays (HR3D).

In his recent role at Facebook, he launched and led innovation teams in Digital Health, Health-tech, Satellite Imaging, TV bandwidth for Connectivity, VR/AR and 'Emerging Worlds' initiative for FB. His new focus is on building world-scale interfaces between societal systems and cyber-physical systems. They span research in physical (e.g., sensors, health-tech), digital (e.g., automating machine learning) and global (e.g., geomaps, autonomous mobility) domains.

He received the Lemelson Award 2016, ACM SIGGRAPH Achievement Award 2017, Technology Review TR100 award 2004, Global Indus Technovator Award, top 20 Indian technology innovators worldwide 2003, Alfred P. Sloan Research Fellowship award 2009 and Darpa Young Faculty award 2010. Others include Marr Prize honorable mention 2009, LAUNCH Health Innovation Award, presented by NASA, USAID, US State Dept+ NIKE, 2010, Vodafone Wireless Innovation Award (first place) 2011. He has received four Mitsubishi Electric Invention Awards. His work has appeared in NYTimes, WSJ, CNN, BBC, New Scientist, Technology Review etc. He holds 125+ US patents.

**Mr. Nishant Batra** has experience in strategic leadership in technology and telecommunications, digital transformation, and cybersecurity, including his role as Chief Strategy & Technology Officer at Nokia, along with his successful tenure at Ericsson and Veoneer. His proven ability to drive technological advancements, optimize assets, and lead largescale projects aligns with Companies goals.

Mr. Batra is a technology expert with extensive experience in strategic leadership and innovation. He currently serves as the Chief Strategy & Technology Officer at Nokia, overseeing group strategy, technology investments, research, digital operations, and cybersecurity. His role also includes managing corporate venture capital assets and strategic partnerships.

Previously, Mr. Batra held key positions at Veoneer as EVP & Chief Technology Officer, where he was responsible for product lines, engineering, and innovation. He also played a pivotal role in the creation and successful acquisition of Arriver by Qualcomm. At Ericsson, Mr. Batra led the Wireless Infrastructure business, achieving substantial market share growth and operational efficiency. He has a proven track record in managing large-scale projects and driving technological advancements. Mr. Nishant Batra holds an MBA from INSEAD and a Master of Science in Telecommunications and Computer Science from Southern Methodist University. He has been recognized with multiple awards for his contributions to industry and holds several patents in LTE technology.





# KPIT'S GLOBAL PRESENCE

### 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 6000/6500

#### Software Development Centres

#### SEZ Premises

Ground Floor, IT-9 Building, Qubix Business Park,
Private Limited-SEZ, Plot No 2,
Blue Ridge Township, Nr. Cognizant,
Rajiv Gandhi, Infotech Park, Hinjewadi,
Phase-I, 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

Plot B, Campus 5B, & 1st & 9th Floor,
RMZ Ecoworld Infrastructure Pvt Ltd.,
SEZ, Devarabisanahalli Village,
Sarjapur Outer Ring Road,
Bangalore – 560103, Karnataka, India

#### Other Premises

Plot No. 2, Survey. No. 288,
Hissa No. 1 to 4, Village Maan,
Taluka Mulshi, Pune- 411057, Maharashtra, India
Phone: +91-20-6770 6000

Plot-45, Rajiv Gandhi Infotech Park,
MIDC Phase-I, Hinjawadi, Pune - 411 057,
Maharashtra, India
Phone: +91-20-6770 6000/6500

#16, 2nd Floor,
New Thippasandra Main Road,
H.A.L 3rd Stage,
Bangalore-560093, Karnataka, India

Smartworks Coworking Spaces Private Limited,
Olympia National Towers,
5th Floor, Block 3, A3 & A4,
North phase, Guindy Industrial Estate,
Chennai – 600032, Tamil Nadu, India

4th Floor, Tower 2, Door No. XIV/396-T,
Trans Asia Corporate Park,
Seaport Airport Road,
Chittethukara, Kakkanad,
Cochin 682037, Kerala, India

#### 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 6000/6500

### OVERSEAS OFFICES

#### United States of America

21333 Haggerty Road,
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East Bldg - Suite 350,
Bloomfield Hills, MI 48304, United States
Phone: + 1 408-355-8163

1660 Airport Road,
Waterford, MI 48327, United States
Phone: +1 248 821 8699

#### Brazil

Avenida Giovanni Gronchi,
6195, 9º andar,
conjunto 914 – Vila Andrade,
CEP: 05724-003 – SÃO PAULO – SP, Brazil

Rua Estados Unidos, 22,
Sion, cep: 30315-270,
Belo Horizonte/MG, Brazil

Rua Dona Maria Cesar, 170,
sala 0203 Edif Luciano Costa,
Cep: 50030-140
Recife, Recife/PE, Brazil

## KPIT's global presence (Contd.)

### United Kingdom

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C/o BTR Accounting Services AB,
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## KPIT's global presence (Contd.)

### Thailand

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### Representative office in Vietnam

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### Tunisia

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KPIT Software Engineering Center,
Road Tunis km 10, Sfax 3021, Tunisia

# 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")(which includes its Employee Stock Option (ESOP) Trust) which comprise the standalone balance sheet as at 31 March 2025, 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 2025, and its profit and other comprehensive loss, 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 contracts**

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 over a period of time 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.<br><br>Contract estimates are formed by the Company considering the following:<br><br>• Application of Ind AS 115 - 'Revenue from Contracts with Customers' 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.<br><br>• There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations.<br><br>• These contracts may involve onerous obligations on the Company requiring critical estimates to be made.<br><br>• Contracts are subject to modification for changes in contract specification and requirements.<br><br>• 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.<br><br>Considering the significant estimate involved in recognition of revenue over a period of time based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter.<br><br>(Refer note 2.3(i), 3.12 and 35 to the standalone financial statements) | In view of the significance of the matter, we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence:<br><br>• Obtained an understanding of the systems, processes and controls implemented by the Company and evaluated the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue.<br><br>• 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;<br><br>• For selected samples of contracts, we inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by:<br><br>i. Evaluating the identification of performance obligations.<br><br>ii. Agreeing the transaction price to the underlying contracts.<br><br>iii. Inspecting the computation and approval of the estimates of cost to complete.<br><br>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.<br><br>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.<br><br>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 that 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.<br><br>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. |

## 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## 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 section titled "Other Matter" 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 Rs. 696.33 million as at 31 March 2025, total revenue (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) amounting to Rs. 39.53 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, 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 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 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 on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification 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) of the Act 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:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note 41.2 to the standalone financial statements.

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 their 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 their knowledge and belief, as disclosed in the Note 50(vi) 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 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 the audit report is in compliance in 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 has 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 software used for maintaining all books of accounts for the period from 1 April 2024 to 9 May 2024.
- The feature of recording audit trail (edit log) facility was not enabled for certain fields and a table at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables and Payroll for the period from 1 April 2024 to 24 April 2024.

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.

Additionally, where the audit trail (edit log) facility was enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUJ4782

Place: Pune
Date: 28 April 2025

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

**(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 three 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 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 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 and provided guarantees, in respect of which the requisite information is as below. The Company has not made any investments or provided guarantees to firms, limited liability partnership or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not provided loans or advances in the nature of loans, or security to any other entity. The Company has provided guarantee to other entities as below:

| Particulars | Guarantees (Rs. million) |
|---|---|
| Aggregate amount during the year Subsidiaries* | 718.37 |
| Balance outstanding as at balance sheet date Subsidiaries* | 718.37 |

*As per the Companies Act, 2013

(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 and guarantees provided and the terms and conditions of the guarantees provided during the year are not prejudicial to the interest of the Company. The Company has not extended any 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 security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made and guarantee provided 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, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there has been a slight delay in one case of income-tax of one day.

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 Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 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 (Rs. million) | Period to which the amount relates | Forum where dispute is pending | Remarks, if any |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 32.98 | AY 2020- 21 | CIT (Appeals) | Reduction in MAT credit |
| Income Tax Act, 1961 | Income Tax | 1.00 | AY 2019- 20 | CIT (Appeals) | Including interest |
| Central Sales Tax Act, 1956 | Sales Tax | 19.29 | FY 2016-17 and FY 2015-16 | Maharashtra Sales Tax Tribunal | |

(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) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. 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 standalone financial statements 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, associate or joint ventures 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, joint ventures 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) During the course of our 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 year.

(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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(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 provision 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) 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. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUJ4782

Place: Pune
Date: 28 April 2025

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

**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 2025 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 2025, 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 tothe 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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUJ4782

Place: Pune
Date: 28 April 2025

# BALANCE SHEET

(Amount in ₹ million)

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 1,777.95 | 1,866.94 |
| Right-of-use assets | 5 | 1,694.96 | 942.71 |
| Capital work-in-progress | 6 | 93.07 | 5.12 |
| Other intangible assets | 7 | 314.36 | 305.20 |
| Intangible assets under development | 8 | 0.45 | 0.28 |
| Financial assets | | | |
| Investments | 9 | 12,107.20 | 9,921.64 |
| Other financial assets | 10 | 126.16 | 438.34 |
| Deferred tax assets (net) | 11 | 246.22 | 333.46 |
| Income tax assets (net) | | 138.95 | 78.99 |
| Other non-current assets | 12 | 1.92 | 7.16 |
| **Total non-current assets** | | **16,501.24** | **13,899.84** |
| **Current assets** | | | |
| Financial assets | | | |
| Investments | 13 | 1,662.54 | 478.26 |
| Trade receivables | 14 | | |
| Billed | | 3,299.76 | 3,494.73 |
| Unbilled | | 543.37 | 727.78 |
| Cash and cash equivalents | 15 | 1,332.04 | 998.24 |
| Bank balances other than cash and cash equivalents above | 16 | 404.49 | 224.79 |
| Other financial assets | 17 | 1,099.72 | 1,314.19 |
| Other current assets | 18 | 491.47 | 388.74 |
| **Total current assets** | | **8,833.39** | **7,626.73** |
| **TOTAL ASSETS** | | **25,334.63** | **21,526.57** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 19 | 2,717.02 | 2,712.17 |
| Other equity | | 16,801.58 | 13,308.28 |
| **Total equity** | | **19,518.60** | **16,020.45** |





# BALANCE SHEET (Cont.)

(Amount in ₹ million)

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 20 | - | 0.59 |
| Lease liabilities | 40 | 1,172.32 | 460.34 |
| Provisions | 21 | 599.36 | 462.40 |
| **Total non-current liabilities** | | **1,771.68** | **923.33** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 22 | 0.59 | 1.67 |
| Lease liabilities | 40 | 258.50 | 216.05 |
| Trade payables | 23 | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | 18.53 | 16.25 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,000.64 | 852.01 |
| Other financial liabilities | 24 | 561.24 | 1,423.47 |
| Other current liabilities | 25 | 1,881.73 | 1,694.04 |
| Provisions | 26 | 293.37 | 357.72 |
| Income tax liabilities (net) | | 29.75 | 21.58 |
| **Total current liabilities** | | **4,044.35** | **4,582.79** |
| **TOTAL EQUITY AND LIABILITIES** | | **25,334.63** | **21,526.57** |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025

# STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

| Particulars | Note | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| Revenue from operations | 27 | 25,639.34 | 20,166.02 |
| Other income | 28 | 819.95 | 686.13 |
| **Total income** | | **26,459.29** | **20,852.15** |
| | | | |
| **Expenses** | | | |
| Cost of materials consumed | 29 | 7.96 | - |
| Employee benefits expense | 30 | 15,348.53 | 12,411.12 |
| Finance costs | 31 | 112.74 | 145.54 |
| Depreciation and amortization expense | 32 | 1,245.20 | 1,028.54 |
| Other expenses | 33 | 3,383.75 | 2,886.48 |
| **Total expenses** | | **20,098.18** | **16,471.68** |
| | | | |
| **Profit before tax** | | **6,361.11** | **4,380.47** |
| | | | |
| **Tax expense** | 38 | | |
| Current tax | | 1,587.24 | 1,085.31 |
| Deferred tax | | (44.51) | 26.88 |
| **Total tax expense** | | **1,542.73** | **1,112.19** |
| | | | |
| **Profit for the year** | | **4,818.38** | **3,268.28** |
| | | | |
| **Other comprehensive income (OCI)** | | | |
| **A. Items that will not be reclassified to profit or loss** | | | |
| (i) Remeasurements of defined benefit plans - gain/(loss) | 36 | (29.87) | (64.36) |
| (ii) Income tax on items that will not be reclassified to profit or loss | | 10.44 | 22.49 |
| **B. Items that will be reclassified to profit or loss** | | | |
| (i) Effective portion of gains/(loss) on hedging instruments in cash flow hedges | 34 | (75.40) | 208.37 |
| (ii) Income tax on items that will be reclassified to profit or loss | | 26.35 | (72.81) |
| | | | |
| **Total other comprehensive income/(loss) for the year, net of tax** | | **(68.48)** | **93.69** |
| **Total comprehensive income for the year** | | **4,749.90** | **3,361.97** |
| **Earnings per equity share (face value per share ₹ 10 each)** | 39 | | |
| Basic | | 17.75 | 12.06 |
| Diluted | | 17.62 | 11.97 |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025





# STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

## A. EQUITY SHARE CAPITAL (REFER NOTE 19)

| | Balance as at 1 April 2024 | Changes in equity share capital due to prior period errors | Restated balance as at 1 April 2024 | Changes in equity share capital during the year | Balance as at 31 March 2024 | Changes in equity share capital during the year | Balance as at 31 March 2025 |
|---|---|---|---|---|---|---|---|
| | 2,712.17 | - | 2,712.17 | 8.71 | 2,712.17 | 4.85 | 2,717.02 |
| | 2,703.46 | - | 2,703.46 | 8.71 | 2,712.17 | 4.85 | 2,717.02 |

## 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) | Remeasurement of net defined benefit plan (Refer note 36) | |
| **Balance as at 1 April 2024** | **2,220.91** | **165.82** | **10,641.47** | **302.74** | **130.05** | **87.15** | **(239.86)** | **13,308.28** |
| Profit for the year | - | - | 4,818.38 | - | - | - | - | 4,818.38 |
| Other comprehensive income/(loss) (net of tax) | - | - | - | - | - | (49.05) | (19.43) | (68.48) |
| **Total comprehensive income/(loss) for the year** | **-** | **-** | **4,818.38** | **-** | **-** | **(49.05)** | **(19.43)** | **4,749.90** |
| **Transactions with owners of the Company Contributions and distributions** | | | | | | | | |
| Dividends (Refer note 19.8) | - | - | (1,927.51) | - | - | - | - | (1,927.51) |
| Transfer to general reserve from share based payment reserve | - | 63.48 | - | (63.48) | - | - | - | - |
| Transfer to retained earnings from Special Economic Zone Re-investment reserve account | - | - | 130.05 | - | (130.05) | - | - | - |
| Accumulated surplus of employee welfare trust | - | - | 0.49 | - | - | - | - | 0.49 |
| Share based compensation to employees (net) | - | - | - | 670.42 | - | - | - | 670.42 |
| **Total contributions and distributions** | **-** | **63.48** | **(1,796.97)** | **606.94** | **(130.05)** | **-** | **-** | **(1,256.60)** |
| **Balance as at 31 March 2025** | **2,220.91** | **229.30** | **13,662.88** | **909.68** | **-** | **38.10** | **(259.29)** | **16,801.58** |

# STATEMENT OF CHANGES IN EQUITY (Cont.)

| | 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) | Remeasurement 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** |
| **Transactions with owners of the Company** | | | | | | | | |
| **Contributions and distributions** | | | | | | | | |
| 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 compensation to employees (net) | - | - | - | 91.27 | - | - | - | 91.27 |
| **Total contributions and distributions** | **-** | **59.51** | **(1,278.76)** | **31.76** | **-** | **-** | **-** | **(1,187.49)** |
| **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** |





# STATEMENT OF CHANGES IN EQUITY (Cont.)

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 after tax 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 is 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. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognised in this reserve is transferred to the Statement of Profit and Loss.

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025

# STATEMENT OF CASH FLOWS

(Amount in ₹ million)

| Particulars | | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **A** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit before tax for the year | 6,361.11 | 4,380.47 |
| | **Adjustments for:** | | |
| | Depreciation and amortization expense | 1,245.20 | 1,028.54 |
| | Finance costs | 112.74 | 145.54 |
| | Interest income | (69.01) | (61.73) |
| | Dividend income | (0.24) | (0.58) |
| | Property, plant and equipments and other intangible assets written off | 0.78 | - |
| | Net gain on disposal of property, plant and equipments | (2.70) | (394.64) |
| | Unrealised (gain)/loss on investment carried at fair value through profit and loss (net) | (12.65) | (23.98) |
| | Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss | 60.43 | 36.95 |
| | Realised (gain)/loss on investment carried at fair value through profit and loss (net) | (29.35) | (10.78) |
| | Provision for doubtful debts and advances (net) | (100.31) | 108.37 |
| | Bad debts written off | - | 4.39 |
| | Share based compensation expenses | 334.36 | 44.83 |
| | Net unrealised foreign exchange loss/(gain) | 16.20 | 19.94 |
| | Others | (0.03) | (0.55) |
| | **Operating profit before working capital changes** | **7,916.53** | **5,276.77** |
| | | | |
| | **Adjustments for changes in working capital:** | | |
| | Trade receivables | 440.99 | (132.65) |
| | Other financials assets and other assets | (13.18) | (33.70) |
| | Trade payables | 148.03 | 358.57 |
| | Other financial liabilities, other liabilities and provisions | 119.48 | 590.72 |
| | **Cash generated from operations** | **8,611.85** | **6,059.71** |
| | Income taxes paid (net) | (1,470.47) | (936.56) |
| | **Net cash generated from operating activities (A)** | **7,141.38** | **5,123.15** |
| | | | |
| **B** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Purchase of property, plant and equipment and intangible assets | (1,040.31) | (1,217.75) |
| | Proceeds from sale of property, plant and equipment | 5.59 | 0.43 |
| | Investment in subsidiaries | (925.00) | (1,799.05) |
| | Payment for contractual obligation under acquisition agreement | (720.92) | - |
| | Investment in an associate | (279.96) | (271.20) |
| | Investment in mutual fund | (7,528.00) | (3,725.01) |
| | Proceeds from sale of investment in mutual fund | 6,384.84 | 3,605.64 |
| | Proceed from sale of investments carried at fair value through profit and loss | 0.88 | 27.68 |
| | Interest received | 28.49 | 20.58 |
| | Dividend received | - | 1.20 |
| | Amount placed in fixed deposits | (2,422.20) | (2,781.00) |
| | Amount realized from fixed deposits | 1,901.63 | 2,826.21 |
| | **Net cash used in investing activities (B)** | **(4,594.96)** | **(3,312.27)** |





# STATEMENT OF CASH FLOWS (Cont.)

(Amount in ₹ million)

| Particulars | | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **C** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Repayment of long term loan from banks* | (1.67) | (3.26) |
| | Payment of lease liabilities* | (305.90) | (223.05) |
| | Proceeds from working capital loan* | 1,410.68 | 4,361.19 |
| | Repayment of working capital loan* | (1,410.68) | (4,361.19) |
| | Proceeds from shares issued by Employee Welfare Trust | 5.34 | 17.05 |
| | Dividend paid | (1,927.51) | (1,287.10) |
| | Interest and finance charges paid | (6.05) | (49.81) |
| | **Net cash used in financing activities (C)** | **(2,235.79)** | **(1,546.17)** |
| | | | |
| | **Net increase in cash and cash equivalents (A + B + C)** | **310.63** | **264.71** |
| | Cash and cash equivalents at beginning of the year | 998.24 | 713.05 |
| | Exchange differences on translation of foreign currency cash and cash equivalents | 23.17 | 20.48 |
| | **Cash and cash equivalents at close of the year (Refer note 15)** | **1,332.04** | **998.24** |

***Reconciliation of liabilities from financing activities for the year ended 31 March 2025:**

| Particulars | Non-current borrowings (including related current portion) | Current borrowings | Leases (Refer note 40) |
|---|---|---|---|
| Balance at the start of the year | 2.26 | - | 676.39 |
| Add: Cash inflow (proceeds of working capital loans from banks) | - | 1,410.68 | - |
| Less: Cash outflow (repayment of loans and payment of lease liabilities) | 1.67 | 1,410.68 | 305.90 |
| Add: Non-cash changes (including effects of unrealised foreign exchange) | 0.00 | - | 1,060.33 |
| Closing balance at the end of the year | 0.59 | - | 1,430.82 |

# STATEMENT OF CASH FLOWS (Cont.)

(Amount in ₹ million)

***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 |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Priyamvada Hardikar**
Chief Financial Officer

Place: Pune
Date: 28 April 2025

**Kishor Patil**
CEO & Managing Director
DIN : 00076190

**Ashish Malhotra**
Company Secretary





# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

## 1 CORPORATE INFORMATION

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 leapfrog towards a clean, smart, and safe future. With around 13,000 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, the USA, Japan, China, Thailand, Tunisia and India, KPIT works with leaders in automotive and mobility and is present where the ecosystem is transforming.

KPIT Technologies Limited ("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 presence across multiple geographies.

These standalone financial statements comprise the Company (collectively with an employee welfare trust).

## 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 standalone financial statements were authorised for issue by the Company's Board of Directors on 28 April 2025.

### 2.2 BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a. These standalone financial statements have been prepared on going concern basis under the historical cost convention and accrual basis, except for the following assets and liabilities, which are measured on an alternative basis at each reporting date:

i) Derivative financial instruments measured at fair value (Refer note 34).

ii) Contingent consideration measured at fair value (Refer note 34)

iii) Certain financial assets and liabilities measured at fair value (Refer note 34).

iv) Net defined benefit obligation which is valued at present value of defined benefit obligation less fair value of plan assets (Refer note 36).

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Present value is the present discounted value of the future net cash inflows that the asset is expected to generate or the present discounted value of the future net cash outflows that are expected to be required to settle the liabilities in the normal course of business.

b. 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 Company are segregated.

c. These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to nearest millions, upto two decimal places, unless otherwise indicated.

### 2.3 USE OF ESTIMATES AND JUDGEMENT

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

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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

### Critical accounting estimates and judgements

**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.

The Company uses judgements while determining the transaction price to be allocated to performance obligations.

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 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**

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. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews carrying amount of deferred tax asset at end of each reporting period.

**iv. Impairment of investment in subsidiaries, a joint venture and an associate**

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. Defined benefit plan**

The cost of the defined benefit plan and the present value of the defined benefit obligation are determined based on actuarial valuation using Projected Unit Credit Method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary escalation, attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. These valuations are conducted by independent valuation experts.

Information about assumptions and estimation uncertainties in respect of defined benefit obligation are included in note 36.

**vi. Share based payments**

The fair value of employee stock options is measured using the Black-Scholes options pricing model. Measurement variables include price of the underlying share in market at the time of the option grant, exercise price of the option, expected volatility, expected life of the option, dividend yield, and the risk free interest rate. Information about the determination of the fair value of equity-settled share-based options are included in note 37.

**vii. 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.

**viii. 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 applies judgement in determining the lease term as the non-cancellable period of a lease together with assessing whether or not to exercise an option to extend or terminate a lease, if it is reasonably certain to be exercised.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

After the commencement date, 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.

The lease payments are discounted using the incremental borrowing rate, if interest rate implicit in the lease is not readily available. Estimations are done while determining the incremental borrowing rate.

**ix. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, which involve various judgements and assumptions. Information about the valuation techniques and related disclosures are included in note 34.

**x. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. Depreciation is charged on the straight-line method over the expected useful lives of the assets after deducting the expected residual value. The useful lives and residual values of Company's assets are determined at the time the asset is acquired and reviewed at the end of each financial year.

The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## 3 MATERIAL ACCOUNTING POLICIES

### 3.1 CURRENT/NON-CURRENT CLASSIFICATION

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

#### a. 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.

#### b. 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.

#### c. 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 Company is less than twelve months.

### 3.2 FOREIGN CURRENCY

#### a. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

#### b. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

foreign currencies are translated into the functional currency at the year-end rates. 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. Foreign currency exchange differences on settlement or translation are recognised in the Statement of Profit and Loss.

## 3.3 FINANCIAL INSTRUMENTS

### a. 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.

### b. Subsequent measurement

#### i. Non-derivative financial instruments

**Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are 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 and hedge accounting

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.

The Company also enters into option contracts to purchase an additional stake in its investment in an associate company. Such derivatives are recognised in its balance sheet when the Company becomes party to contractual provisions of the instrument.

A contract to pay or receive a fixed amount on the occurrence or non-occurrence of a future event is considered to be 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 Company 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.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

**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.

Such 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 these hedging instruments are recognised in other comprehensive income and accumulated in other equity under "Effective portion of cash flow hedges", while any ineffective portion 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 other equity 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 other equity 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.

**Financial assets or financial liabilities, at fair value through profit or loss**

This category includes derivative financial assets or liabilities which are not designated as hedges.

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 changes are recognised in the Statement of Profit and Loss. 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.

### c. 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 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.

### 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 Company measures fair value using valuation techniques. 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 majorly 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 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

### a. 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

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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.

**b. 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.

**c. 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.

**d. 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.

## 3.5 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.

**a. 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 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.

**b. 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

**a. 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 Company 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.

**b. 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

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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.

**c. 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.

## 3.7 INVESTMENT IN SUBSIDIARIES, A JOINT VENTURE AND AN ASSOCIATE

a. Subsidiaries are entities controlled by the Company. 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.

b. A joint venture is a type of joint arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

c. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

d. The Company has elected to recognise its investment in subsidiaries, a joint venture and an associate at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Cost includes cash consideration paid on initial recognition, adjusted for embedded derivative and estimated contingent consideration (earnout), if any.

e. 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 Statement of Profit and Loss.

## 3.8 IMPAIRMENT

**a. Impairment of financial assets (other than investment in subsidiaries, a joint venture and an associate)**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection.

The Company assesses at each reporting 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.

The Company uses the practical expedient by computing the expected credit loss allowance for trade receivables based on simplified provision matrix where customers are disaggregated based on their geographical location. The provision matrix takes into account historical credit loss experience adjusted for forward looking information.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL based on variety of external actual and forecast information.

The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**b. Impairment of investment in subsidiaries, a joint venture and an associate**

Investment in subsidiaries, a joint venture and an associate are tested for impairment whenever there is an indication that the recoverable amount of an investment is less than its carrying amount based on a number of factors including operating





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results, business plans, future cash flows and economic conditions. The recoverable amount of an investment is determined based on higher of value-in-use and fair value less cost to sell. If the recoverable amount of an investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the Statement of Profit and Loss.

**c. Impairment of 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 amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

## 3.9 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

**a. Provisions**

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.

If the effect of the time value of money is material, 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. The unwinding of the discount is recognised as finance cost.

**i. Warranty provisions**

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.

**ii. Onerous contracts**

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.

**b. Contingent liability**

Contingent liability is:

i. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

ii. Present obligations that arise from past events but are not recognised because:

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

- A reliable estimate of the amount of obligation cannot be made.

The Company does not recognise such obligations but 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.

**c. Contingent asset**

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, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 3.10 TREASURY SHARES

The Company has created a KPIT Technologies Limited Employees Welfare Trust ("EWT") which acts as a vehicle for distributing shares to employees under the share-based payment arrangements to its employees. EWT purchases the Company's share from secondary market for issuance to the employees on exercise of the granted stock options. EWT is considered as an extension of the Company and the shares held by EWT are treated as treasury shares.

The treasury shares are recognised at the consideration paid including any directly attributable incremental cost and is presented as a deduction from equity, until they are sold or reissued. No gain or loss is recognised in the Statement of Profit and Loss on purchase, sale, issuance, or cancellation of treasury shares. When treasury shares are sold or reissued, 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.

### 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.

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.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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.

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.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 investments carried at fair value through profit or loss, insurance claim 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 BORROWING COSTS

Borrowing cost includes interest, other costs incurred in connection with the borrowing of funds and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period in which they are incurred.

### 3.15 EMPLOYEE BENEFITS

**a. Defined benefit plan**

The Company's gratuity scheme is a defined benefit plan. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are 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 Company makes specified monthly contributions towards Government administered provident fund scheme and Employee State Insurance Scheme in India which are defined contribution plans. 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.

**c. 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.

Accumulated absences expected to be utilised within twelve months is treated as short-term employee benefit. The Company measures the expected cost of such accumulated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Accumulated absences expected to be carried forward beyond twelve months is treated as 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.

**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 also include performance incentives.

### 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 SHARE BASED PAYMENTS

The Company operates equity settled share-based plans for the employees. Employee stock options granted are measured at fair value of stock options at the grant date using the Black and Scholes options pricing model. The Company recognises employee compensation expense, using such grant date fair value, on straight line basis over the vesting period, with a corresponding increase in equity (Share based payment reserve).

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 as measured at the date of modification. 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. The said recovery is netted off from the Employee benefits expense.

### 3.18 DIVIDEND

The Company declares and pays dividends in Indian rupees. Final dividend on equity shares is recorded as a liability on approval by the shareholders and interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

### 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

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 financial year, adjusted for treasury shares. 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 financial year as adjusted for treasury shares and 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 31 March 2025, MCA has notified amendements to Ind AS 116 - Leases in respect of sale and leaseback transactions and notified new standard Ind AS 117 - Insurance contracts. The Company does not expect these amendments to have any impact on its financial statements.





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 2024** | **1,256.15** | **134.75** | **1,385.41** | **142.04** | **64.36** | **389.19** | **3,371.90** |
| Additions | 9.43 | 11.03 | 160.84 | 17.72 | 17.02 | 38.36 | 254.40 |
| Disposal/retirement/derecognition | 0.19 | 0.05 | 59.81 | 2.79 | 17.13 | 27.33 | 107.30 |
| **Gross carrying amount as at 31 March 2025** | **1,265.39** | **145.73** | **1,486.44** | **156.97** | **64.25** | **400.22** | **3,519.00** |
| **Accumulated depreciation as at 1 April 2024** | **192.65** | **104.29** | **888.33** | **95.65** | **29.79** | **194.25** | **1,504.96** |
| Depreciation for the year | 46.03 | 9.18 | 215.00 | 12.81 | 9.72 | 37.09 | 329.83 |
| Disposal/retirement/derecognition | 0.04 | 0.05 | 58.43 | 2.56 | 15.37 | 17.29 | 93.74 |
| **Accumulated depreciation as at 31 March 2025** | **238.64** | **113.42** | **1,044.90** | **105.90** | **24.14** | **214.05** | **1,741.05** |
| **Carrying amount as at 1 April 2024** | **1,063.50** | **30.46** | **497.08** | **46.39** | **34.57** | **194.94** | **1,866.94** |
| **Carrying amount as at 31 March 2025** | **1,026.75** | **32.31** | **441.54** | **51.07** | **40.11** | **186.17** | **1,777.95** |
| **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** |

# NOTES FORMING PART OF THE STANDALONE 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 2024** | **768.88** | **423.90** | **257.27** | **23.18** | **1,473.23** |
| Additions | 880.76 | - | 75.68 | 79.07 | 1,035.51 |
| Derecognition/adjustments | 265.96 | - | - | 2.16 | 268.12 |
| **Gross carrying amount as at 31 March 2025** | **1,383.68** | **423.90** | **332.95** | **100.09** | **2,240.62** |
| | | | | | |
| **Accumulated depreciation as at 1 April 2024** | **455.65** | **39.23** | **32.59** | **3.05** | **530.52** |
| Depreciation for the year | 180.95 | 4.64 | 73.58 | 19.73 | 278.90 |
| Derecognition/adjustments | 263.44 | - | - | 0.32 | 263.76 |
| **Accumulated depreciation as at 31 March 2025** | **373.16** | **43.87** | **106.17** | **22.46** | **545.66** |
| | | | | | |
| **Carrying amount as at 1 April 2024** | **313.23** | **384.67** | **224.68** | **20.13** | **942.71** |
| **Carrying amount as at 31 March 2025** | **1,010.52** | **380.03** | **226.78** | **77.63** | **1,694.96** |
| | | | | | |
| **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** | **423.90** | **257.27** | **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 | 4.64 | 32.59 | 2.84 | 177.57 |
| Derecognition/adjustments | 10.78 | - | - | - | 10.78 |
| **Accumulated depreciation as at 31 March 2024** | **455.65** | **39.23** | **32.59** | **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** | **384.67** | **224.68** | **20.13** | **942.71** |

## 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 2025** | | | | | |
| Projects in progress | 93.07 | - | - | - | 93.07 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **93.07** | **-** | **-** | **-** | **93.07** |
| | | | | | |
| **As at 31 March 2024** | | | | | |
| Projects in progress | 5.12 | - | - | - | 5.12 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **5.12** | **-** | **-** | **-** | **5.12** |

**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 | Total |
|---|---|---|---|
| | Product Development Cost | Softwares | |
| **Gross carrying amount as at 1 April 2024** | **516.52** | **1,762.38** | **2,278.90** |
| Additions | - | 645.63 | 645.63 |
| Disposal/retirement/derecognition | - | 344.70 | 344.70 |
| **Gross carrying amount as at 31 March 2025** | **516.52** | **2,063.31** | **2,579.83** |
| | | | |
| **Accumulated amortisation as at 1 April 2024** | **516.52** | **1,457.18** | **1,973.70** |
| Amortisation for the year | - | 636.47 | 636.47 |
| Disposal/retirement/derecognition | - | 344.70 | 344.70 |
| **Accumulated amortisation as at 31 March 2025** | **516.52** | **1,748.95** | **2,265.47** |
| | | | |
| **Carrying amount as at 1 April 2024** | **-** | **305.20** | **305.20** |
| **Carrying amount as at 31 March 2025** | **-** | **314.36** | **314.36** |
| | | | |
| **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** |

## 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 2025** | | | | | |
| Projects in progress | 0.45 | - | - | - | 0.45 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **0.45** | **-** | **-** | **-** | **0.45** |
| | | | | | |
| **As at 31 March 2024** | | | | | |
| Projects in progress | 0.28 | - | - | - | 0.28 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **0.28** | **-** | **-** | **-** | **0.28** |

**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)*

### 9.1 INVESTMENTS IN EQUITY INSTRUMENTS OF JOINT ARRANGEMENT AND ASSOCIATE MEASURED AT COST

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Investment in joint venture** | | |
| Qorix GmbH (Refer note 45) | 1,348.14 | - |
| 1,352,941 Shares of EUR 1 each fully paid up | | |
| **Investment in associate** | | |
| N-Dream AG (Refer note 46) | 449.81 | 86.75 |
| 114,218 (Previous year 50,598) Equity shares of CHF 1 each fully paid up | | |
| | **1,797.95** | **86.75** |

### 9.2 INVESTMENTS IN EQUITY INSTRUMENTS OF SUBSIDIARIES MEASURED AT COST

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| 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 |
| 1,112,660 (Previous year 893,710) Shares of ₹ 10 each fully paid up | | |
| KPIT Technologies GmbH | 5,820.26 | 4,895.26 |
| 4,334,501 (Previous year 3,877,880) Shares of EUR 1 each fully paid up | | |
| Qorix GmbH (Refer note 45) | - | 450.64 |
| Previous year 764,706 Shares of EUR 1 each fully paid up | | |
| | **10,309.24** | **9,834.88** |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

### 9.3 INVESTMENTS IN EQUITY INSTRUMENTS OF OTHER ENTITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| MCCIA Electronic Cluster Foundation | 0.01 | 0.01 |
| 6 (Previous year 6) equity shares of INR 1,000 each fully paid up | | |
| | **12,107.20** | **9,921.64** |

## 10 OTHER NON-CURRENT FINANCIAL ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Deposits with banks with remaining maturity of more than 12 months | - | 15.00 |
| Deposits with financial institutions with remaining maturity of more than 12 months | - | 221.00 |
| Interest accrued on fixed deposits | - | 26.22 |
| Security deposits | 124.33 | 77.95 |
| Derivative asset towards further stake acquisition in N-Dream (Refer note 46) | 1.83 | 98.17 |
| | **126.16** | **438.34** |

**Note:**

(i) Information about the Company's exposure to credit risk and liquidity risk is disclosed in note 34.

## 11 DEFERRED TAX ASSETS (NET)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Deferred tax assets** | | |
| Property, plant and equipment and intangible assets | 13.47 | - |
| Provision for employee benefits | 151.04 | 124.71 |
| MAT credit entitlement | - | 186.54 |
| Provisions | 74.03 | 94.26 |
| Others | 35.62 | 29.00 |
| | **274.16** | **434.51** |
| **Deferred tax liabilities** | | |
| Property, plant and equipment and intangible assets | - | 51.91 |
| Forward contracts designated as cash flow hedges | 20.46 | 46.81 |
| Others | 7.48 | 2.33 |
| | **27.94** | **101.05** |
| **Net deferred tax asset** | **246.22** | **333.46** |

## 12 OTHER NON-CURRENT ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Capital advances | 0.50 | 5.68 |
| Prepaid expenses | 1.42 | 1.48 |
| | **1.92** | **7.16** |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 13 CURRENT INVESTMENTS

*(Quoted)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Investments measured at fair value through profit or loss** | | |
| Mutual fund units (Refer note i below) | 1,654.04 | 461.88 |
| Shares of Birlasoft Limited held by KPIT Employee Welfare Trust (Refer note 37.1) | 8.50 | 16.38 |
| | **1,662.54** | **478.26** |

**Note:**

(i) Details of investment in mutual fund units

| Particulars | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan | 419,479.53 | 173.62 | - | - |
| Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan | - | - | 108,909.56 | 140.15 |
| Axis Liquid Fund - Regular Growth | 38,591.39 | 110.37 | - | - |
| Axis Overnight Fund Direct Growth | 33,513.05 | 45.28 | - | - |
| Bandhan Liquid Fund - Regular Plan - Growth | 5,644,912.15 | 223.27 | - | - |
| Bandhan Overnight Fund Regular Plan - Growth | - | - | 157,693.39 | 200.22 |
| DSP Liquidity Fund - Regular Plan - Growth | 61,424.93 | 225.26 | - | - |
| HSBC Liquid Fund - Regular Growth | 43,094.23 | 110.37 | - | - |
| HSBC Overnight Fund - Direct Growth | 64,593.23 | 86.31 | - | - |
| ICICI Prudential Money Market Fund - Growth | 539,690.90 | 200.90 | - | - |
| Kotak Money Market Fund - Regular Growth | 57,590.80 | 253.74 | - | - |
| Mirae Asset Cash Management Fund - Regular Plan Growth | - | - | 48,403.47 | 121.51 |
| Nippon India Liquid Fund - Growth Plan - Growth Option | 35,881.06 | 224.92 | - | - |
| **Total investment in mutual fund units** | | **1,654.04** | | **461.88** |

(ii) Information about the Company's exposure to credit risk, liquidity risk and market risk is disclosed in note 34.

## 14 TRADE RECEIVABLES

*(Unsecured)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Trade receivables - billed** | | |
| Trade receivables considered good | 3,442.20 | 3,722.95 |
| Trade receivables which have significant increase in credit risk | - | 14.53 |
| Trade receivables - credit impaired | - | - |
| | **3,442.20** | **3,737.48** |
| Less: Allowances for bad and doubtful trade receivables | 142.44 | 242.75 |
| **Total trade receivables - billed** | **3,299.76** | **3,494.73** |
| **Trade receivables - unbilled** | **543.37** | **727.78** |
| | **3,843.13** | **4,222.51** |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

**Trade receivables ageing schedule as at 31 March 2025**

| 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 | 3,111.82 | 328.17 | 2.03 | 0.18 | - | - | 3,442.20 |
| Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| 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 | - | - | - | - | - | - | - |
| | **3,111.82** | **328.17** | **2.03** | **0.18** | **-** | **-** | **3,442.20** |
| Less: Allowances for bad and doubtful trade receivables - billed | | | | | | | 142.44 |
| | | | | | | | 3,299.76 |
| Trade receivables - unbilled (considered good) (Refer note ii below) | | | | | | | 543.37 |
| | | | | | | | **3,843.13** |

**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 (considered good) (Refer note ii below) | | | | | | | 727.78 |
| | | | | | | | **4,222.51** |

**Note:**

(i) Trade receivables from related parties are disclosed in note 42.

(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 2025 | 31 March 2024 |
|---|---|---|
| **Balances with banks** | | |
| In current accounts | 507.03 | 197.17 |
| In deposit accounts with original maturity of 3 months or less (Refer note i below) | 825.01 | 801.07 |
| | **1,332.04** | **998.24** |

**Note:**

(i) It includes earmarked balance amounting to ₹ 56.01 million (Previous year ₹ 193.07 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 2025 | 31 March 2024 |
|---|---|---|
| **Balances with banks** | | |
| In unclaimed dividend accounts | 8.19 | 5.00 |
| In deposit accounts with original maturity of more than 3 months but less than 12 months (Refer note i below) | 396.30 | 219.79 |
| | **404.49** | **224.79** |

**Note:**

(i) It includes earmarked balance amounting to Nil (Previous year ₹ 4.13 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 2025 | 31 March 2024 |
|---|---|---|
| Deposits with banks with remaining maturity of less than 12 months (Refer note i below) | 108.96 | - |
| Deposits with financial institutions with remaining maturity of less than 12 months | 471.10 | - |
| Interest accrued on fixed deposits | 66.28 | 10.44 |
| Security deposits | 39.04 | 34.24 |
| Forward contracts designated as cash flow hedges (Refer note 34.3) | 58.56 | 133.96 |
| Receivable from related parties (Refer note 42) | 97.86 | 921.23 |
| Derivative asset towards further stake acquisition in N-Dream (Refer note 46) | 38.49 | 81.06 |
| Health insurance premium recoverable from employees | 154.32 | 126.03 |
| Other receivables | 65.11 | 7.23 |
| | **1,099.72** | **1,314.19** |

**Note:**

(i) It includes earmarked balance amounting to ₹ 1.34 million (Previous year Nil) held as security towards obtaining bank guarantees and overdraft facility.

(ii) Information about the Company's exposure credit risk, liquidity 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 2025 | 31 March 2024 |
|---|---|---|
| Advance to suppliers | 31.45 | 22.24 |
| **Employee advances** | | |
| Considered good | 33.12 | 31.04 |
| Considered doubtful | 13.22 | 10.15 |
| | 46.34 | 41.19 |
| Less: Provision for doubtful advances | 13.22 | 10.15 |
| | **33.12** | **31.04** |
| Balances with statutory authorities | 94.85 | 25.00 |
| Contract assets (Refer note 35) | 16.69 | 1.77 |
| Prepaid expenses | 315.36 | 308.69 |
| | **491.47** | **388.74** |

## 19 EQUITY SHARE CAPITAL

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **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: 2,441,439 (Previous year 2,926,924) Treasury shares held by KPIT Technologies Employees Welfare Trust | 24.42 | 29.27 |
| | **2,717.02** | **2,712.17** |

**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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Equity shares outstanding at the beginning of the year | 271,216,884 | 2,712.17 | 270,346,390 | 2,703.46 |
| Add: Shares issued on exercise of employee stock options | 485,485 | 4.85 | 870,494 | 8.71 |
| **Equity shares outstanding at the end of the year** | **271,702,369** | **2,717.02** | **271,216,884** | **2,712.17** |

# 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | 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 2025 | | 31 March 2024 | | Percentage change during the year ended on 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% | 2,419,084 | 0.88% | 0.00% |
| 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 | 15,000 | 0.01% | 20,000 | 0.01% | -25.00% |
| 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 2025 | 31 March 2024 |
|---|---|---|
| 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 2024: ₹ 2.10 per share | | 569.47 |
| Final dividend for the year ended on 31 March 2024: ₹ 4.60 per share | 1,248.50 | |
| Interim dividend for the year ended on 31 March 2025: ₹ 2.50 per share | 679.01 | |
| **Total dividend paid** | **1,927.51** | **1,287.10** |

**Proposed dividend:**

The Board of Directors at its meeting held on 28 April 2025, has recommended a final dividend of ₹ 6.00 per equity share for the year ended 31 March 2025, 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 2025 | 31 March 2024 |
|---|---|---|
| Equity Share capital | 2,717.02 | 2,712.17 |
| Other equity | 16,801.58 | 13,308.28 |
| **Total equity (Equity)** | **19,518.60** | **16,020.45** |
| Long-term borrowings | - | 0.59 |
| Short-term borrowings and current maturities of long term borrowings | 0.59 | 1.67 |
| **Total borrowings (Debt)** | **0.59** | **2.26** |
| **Total capital (Equity + Debt)** | **19,519.19** | **16,022.71** |
| **Total borrowings as a percentage of total capital** | 0.00% | 0.01% |
| **Total equity as a percentage of total capital** | 100.00% | 99.99% |

As at 31 March 2025 and 31 March 2024, the Company has no externally imposed capital requirements.

## 20 NON-CURRENT BORROWINGS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Term loans** | | |
| From banks (secured) (Refer note i below) | - | 0.59 |
| | **-** | **0.59** |

**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) Information about the Company's exposure to liquidity risk and market risk is disclosed in note 34.

## 21 NON-CURRENT PROVISIONS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Compensated absences | 161.48 | 117.37 |
| Gratuity (Refer note 36) | 437.88 | 345.03 |
| | **599.36** | **462.40** |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 22 CURRENT BORROWINGS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Current maturities of long term borrowings (Refer note i below)** | | |
| From banks (secured) | 0.59 | 1.67 |
| | **0.59** | **1.67** |

**Notes:**

(i) Refer note 20 for the details of security and repayment terms.

(ii) Information about the Company's exposure to liquidity risk and market risk is disclosed in note 34.

## 23 TRADE PAYABLES

### 23.1 Trade payables ageing schedule

**As at 31 March 2025**

| 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 | - | 18.53 | - | - | - | 18.53 |
| Others | 132.89 | 206.48 | 1.86 | 0.71 | 1.28 | 343.22 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| | **132.89** | **225.01** | **1.86** | **0.71** | **1.28** | **361.75** |
| Accrued expenses | | | | | | 657.42 |
| | | | | | | 1,019.17 |

**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:**

(i) Information about the Company's exposure to liquidity risk is disclosed in note 34.

(ii) Information about the related party transaction is disclosed in note 42.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

### 23.2 Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

| | | 31 March 2025 | 31 March 2024 |
|---|---|---|---|
| a. | Principal amount payable to Micro and Small Enterprises (to the extent identified by the Company from available information) as at the end of the year. | 18.53 | 16.25 |
| b. | Estimated interest due thereon payable to Micro and Small Enterprises as at the end of the year. | - | - |
| c. | Amount of payments made to suppliers beyond the appointed date during the year. | - | - |
| d. | The amount of estimated interest accrued and remaining unpaid as at the end of the year. | - | - |
| e. | 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. | - | - |

## 24 OTHER CURRENT FINANCIAL LIABILITIES

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Purchase consideration payable for:** | | |
| PathPartner Technology Private Limited | 59.53 | 780.45 |
| | | |
| Accrued employee costs | 429.53 | 478.99 |
| Unclaimed dividends | 8.18 | 3.92 |
| Capital creditors | 30.07 | 87.41 |
| Payable to related parties (Refer note 42) | 5.98 | 62.87 |
| Others | 27.95 | 9.83 |
| | **561.24** | **1,423.47** |

**Note:**

(i) Information about the Company's exposure to liquidity risk and market risk is disclosed in note 34.

## 25 OTHER CURRENT LIABILITIES

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Contract liabilities (Refer note 35) | 1,492.34 | 1,335.62 |
| Advance received from customers | 0.09 | 82.08 |
| Statutory liabilities | 389.30 | 273.94 |
| Advance from related parties (Refer note 42) | - | 2.40 |
| | **1,881.73** | **1,694.04** |

## 26 CURRENT PROVISIONS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Compensated absences | 25.00 | 34.36 |
| Gratuity (Refer note 36) | 80.00 | 80.00 |
| **Other provisions** | | |
| Provision for warranty (Refer note 41.1) | 188.37 | 243.36 |
| | **293.37** | **357.72** |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 27 REVENUE FROM OPERATIONS

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Software services | 25,613.75 | 20,084.26 |
| **Sale of products** | | |
| Finished goods | 25.59 | 81.76 |
| | **25,639.34** | **20,166.02** |

**Note:**

(i) Refer note 35 for more disclosures on revenue from contracts with customers.

## 28 OTHER INCOME

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Interest income** | | |
| Interest income on financial assets carried at amortized cost | 69.01 | 50.90 |
| Other interest income (including interest on tax refunds) | - | 10.83 |
| **Dividend income** | | |
| Dividend income on quoted investment carried at fair value through profit and loss (Refer note i below) | 0.24 | 0.58 |
| **Other non-operating income (net of expenses directly attributable to such income)** | | |
| Net gain on disposal of property, plant and equipment and intangibles | 1.92 | 394.64 |
| Net foreign exchange gain | 199.55 | 183.95 |
| Net unrealised gain on investments carried at fair value through profit or loss (Refer note ii below) | 12.65 | 23.98 |
| Net realised gain on sale of investments carried at fair value through profit or loss | 29.76 | 10.97 |
| Miscellaneous income (Refer note iii and iv below) | 506.82 | 10.28 |
| | **819.95** | **686.13** |

**Notes:**

(i) This represents the dividend income on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

(ii) This represents the unrealised gain on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

(iii) This includes a one-time taxable gain of ₹ 450.00 million (Previous year Nil) on settlement of an insurance claim.

(iv) This includes sublease rental income of ₹ 0.16 million (Previous year Nil).

## 29 COST OF MATERIALS CONSUMED

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Inventory of raw materials at the beginning of the year | - | - |
| Add: Purchases | 7.96 | - |
| Less: Inventory of raw materials at the end of the year | - | - |
| | **7.96** | **-** |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 30 EMPLOYEE BENEFITS EXPENSE

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and incentives | 14,412.78 | 11,864.78 |
| Contribution to provident and other funds | 546.43 | 452.78 |
| Share based compensation to employees (Refer note 37) | 334.36 | 44.83 |
| Staff welfare expenses | 54.96 | 48.73 |
| | **15,348.53** | **12,411.12** |

## 31 FINANCE COSTS

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Finance cost on lease liabilities (Refer note 40) | 82.90 | 57.78 |
| Finance cost on financial liabilities measured at amortised cost | 29.84 | 59.02 |
| Finance cost on financial liabilities measured at fair value through profit or loss | - | 26.53 |
| Exchange differences regarded as an adjustment to finance costs | - | 2.21 |
| | **112.74** | **145.54** |

## 32 DEPRECIATION AND AMORTIZATION EXPENSE

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Depreciation of property, plant and equipment (Refer note 4) | 329.83 | 305.81 |
| Depreciation of right-of-use assets (Refer note 5) | 278.90 | 177.57 |
| Amortization of other intangible assets (Refer note 7) | 636.47 | 545.16 |
| | **1,245.20** | **1,028.54** |

## 33 OTHER EXPENSES

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Travel expenses (net) | 226.51 | 258.29 |
| Cost of service delivery (net) | 731.98 | 288.98 |
| Cost of professional sub-contracting (net) | 322.85 | 410.04 |
| Recruitment and training expenses | 170.77 | 163.30 |
| Power and fuel | 69.95 | 60.11 |
| Rent (Refer note 40) | 31.65 | 23.89 |
| Repairs and maintenance | 424.70 | 345.59 |
| Insurance | 174.57 | 124.25 |
| Rates & taxes | 27.50 | 15.62 |
| Communication expenses (net) | 49.94 | 51.51 |
| Legal and professional fees | 737.49 | 510.91 |
| Marketing expenses | 42.70 | 47.21 |
| Auditor's remuneration (net of taxes) | | |
| Audit fees | 9.09 | 7.84 |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Limited review of quarterly results | 2.10 | 2.10 |
| Fees for other services | 0.95 | 0.95 |
| Out of pocket expenses reimbursed | 0.71 | 0.47 |
| Bad debts written off | - | 4.39 |
| Allowances for doubtful trade receivables and advances (net) | (100.31) | 108.37 |
| Provision for warranty (Refer note 41.1) | (54.99) | 74.01 |
| Expenditure on corporate social responsibility (Refer note 48) | 75.13 | 50.74 |
| Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss | 60.43 | 36.95 |
| Miscellaneous expenses (net) | 380.03 | 300.96 |
| | **3,383.75** | **2,886.48** |

**Note:**

(i) Certain expenses are net of recoveries/reimbursements from customers.

## 34 FINANCIAL INSTRUMENTS

### 34.1 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value and fair value of financial instruments by categories as at 31 March 2025 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) | - | 1,662.55 | - | 1,662.55 | 1,662.55 |
| Trade receivables - billed | 3,299.76 | - | - | 3,299.76 | 3,299.76 |
| Trade receivables - unbilled | 543.37 | - | - | 543.37 | 543.37 |
| Cash and cash equivalents | 1,332.04 | - | - | 1,332.04 | 1,332.04 |
| Bank balances other than cash and cash equivalents above | 404.49 | - | - | 404.49 | 404.49 |
| Other financial assets | 1,127.00 | 40.32 | 58.56 | 1,225.88 | 1,225.88 |
| **Total financial assets** | **6,706.66** | **1,702.87** | **58.56** | **8,468.09** | **8,468.09** |
| **Financial liabilities** | | | | | |
| Borrowings | 0.59 | - | - | 0.59 | 0.59 |
| Trade payables | 1,019.17 | - | - | 1,019.17 | 1,019.17 |
| Lease liabilities | 1,430.82 | - | - | 1,430.82 | 1,430.82 |
| Other financial liabilities | 561.24 | - | - | 561.24 | 561.24 |
| **Total financial liabilities** | **3,011.82** | **-** | **-** | **3,011.82** | **3,011.82** |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as at 31 March 2024 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) | - | 478.27 | - | 478.27 | 478.27 |
| 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** | **1,559.70** | **133.96** | **7,676.34** | **7,676.34** |
| **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** |

### 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 largely due to the short-term maturities of these instruments. 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 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 2025:

| Particulars | As at 31 March 2025 | Fair value measurement | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial assets** | | | | |
| Investment in shares of Birlasoft Limited | 8.50 | 8.50 | - | - |
| Investments in mutual fund units | 1,654.05 | 1,654.05 | - | - |
| Derivative asset towards further stake acquisition in N-Dream | 40.32 | - | - | 40.32 |
| Forward contracts designated as cash flow hedge | 58.56 | - | 58.56 | - |

The following table presents fair value hierarchy of 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 | 461.89 | 461.89 | - | - |
| 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 |

**Reconciliation of fair value measurement for Level 3 financial assets and liabilities classified as FVTPL:**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **i) Contractual obligation - towards acquisition of balance non-controlling stake** | | |
| Balance at the beginning of the year | - | 516.33 |
| Finance costs recognised in the Statement of Profit and Loss | - | 26.53 |
| Change in fair value of the financial instrument | - | 31.49 |
| Amount transferred to financial liabilities measured at amortised cost | - | (574.35) |
| **Balance at the end of the year** | **-** | **-** |
| **ii) Derivative asset towards further stake acquisition in N-Dream** | | |
| Balance at the beginning of the year | 179.23 | - |
| Additions during the year | - | 184.45 |
| Change in fair value of derivative asset | (60.43) | (5.46) |
| Settlement during the year | (83.11) | - |
| Exchange difference on translation | 4.63 | 0.24 |
| **Balance at the end of the year** | **40.32** | **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 2025 and 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). |

## 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. Credit risk includes the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to credit risk consists of trade receivables (including unbilled receivables), deposits with banks and financial institutions, investments, cash and cash equivalents, other balances with banks and other financial assets.

The Company's maximum exposure to its credit risk is primarily from trade receivables (including unbilled receivables).

**i. Trade receivables (including unbilled 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.

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Trade receivables - billed | 3,299.76 | 3,494.73 |
| Trade receivables - unbilled | 543.37 | 727.78 |
| Contract assets | **16.69** | **1.77** |
| **Total** | **3,859.82** | **4,224.28** |

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 242.75 | 134.38 |
| Impairment during the year | - | 390.43 |
| Reversal of impairment on account of collection | (100.31) | (277.67) |
| Utilisation of allowance | - | (4.39) |
| **Balance at the end of the year** | **142.44** | **242.75** |

Refer note 14 for ageing of trade receivables

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

**ii. Cash and bank balances**

The Company has limited credit risk on bank balances and deposits as they are held with banks and financial institutions which have high credit rating assigned by domestic and international credit rating agencies. Investments primarily includes investment in liquid mutual fund units. The Company mitigates the credit risk on these investments by investing in institutions with high credit rating.

**iii. 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 2025 | 31 March 2024 |
|---|---|---|
| Cash and cash equivalents | 1,332.04 | 998.24 |
| Bank balances other than cash and cash equivalents above | 404.49 | 224.79 |
| Deposits with banks and financial institutions (including interest accrued) | 646.34 | 272.66 |
| Investment in mutual fund units | 1,654.04 | 461.88 |
| **Total** | **4,036.91** | **1,957.57** |

The following are the remaining contractual maturities of financial liabilities as at 31 March 2025:

| Particulars | Carrying value | Gross cash outflow | Upto 1 year | 2-3 years | 4-5 years | > 5 years |
|---|---|---|---|---|---|---|
| Borrowings | 0.59 | 0.60 | 0.60 | - | - | - |
| Trade payables | 1,019.17 | 1,019.17 | 1,019.17 | - | - | - |
| Other financial liabilities | 561.24 | 561.24 | 561.24 | - | - | - |

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 | - | - | - |

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, Pound Sterling and Japanese Yen.

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 2025:

| Particulars | US Dollars | Euros | Pound Sterling | Japanese Yen | Other currencies | Total |
|---|---|---|---|---|---|---|
| Trade receivables (including unbilled) | 1,434.46 | 789.27 | 294.86 | 287.58 | 204.51 | 3,010.68 |
| Other financial assets | - | 40.32 | - | 2.37 | - | 42.69 |
| Trade payables | (37.29) | (56.55) | (3.07) | - | (0.31) | (97.22) |
| Other financial liabilities | - | - | (2.65) | - | (5.30) | (7.95) |
| **Net assets/(liabilities)** | **1,397.17** | **773.04** | **289.14** | **289.95** | **198.90** | **2,948.20** |

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 above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2025, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.41%/(0.41)%.

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)

**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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Foreign Currency (million) | ₹ (million) | Foreign Currency (million) | ₹ (million) |
| EUR | 75.40 | 6,961.27 | 34.75 | 3,135.15 |
| USD | 66.25 | 5,669.77 | 66.80 | 5,569.12 |
| JPY | 10,486.00 | 5,950.81 | 2,980.00 | 1,641.68 |
| GBP | 16.75 | 1,854.88 | 11.03 | 1,161.35 |

The forward contracts have maturity between 30 days to 12 months from 31 March 2025.
The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 87.15 | (48.41) |
| Gains on changes in fair value of foreign exchange contracts recognised in other comprehensive income | 58.56 | 133.96 |
| Amounts reclassified to the Statement of Profit and Loss | (133.96) | 74.41 |
| Deferred tax on fair value of effective portion of cash flow hedges | 26.35 | (72.81) |
| **Balance at the end of the year** | **38.10** | **87.15** |

**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 does not have any investments, deposits 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

### 35.1 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 | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Americas | 7,238.21 | 6,769.05 |
| UK & Europe | 8,276.63 | 7,229.96 |
| Rest of World | 10,124.50 | 6,167.01 |
| **Total** | **25,639.34** | **20,166.02** |

**B Revenue disaggregation by contract type is as follows:**

| Contract type | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Time & Material (T&M) and Cap T&M projects | 10,399.97 | 10,332.53 |
| Fixed price projects | 14,446.58 | 9,124.84 |
| License and AMC projects | 274.41 | 188.65 |
| Sale from manufacturing unit/product sale | 25.59 | 81.76 |
| Others | 492.79 | 438.24 |
| **Total** | **25,639.34** | **20,166.02** |

Invoices are payable within contractually agreed credit period.

### 35.2 RECONCILIATION OF REVENUE RECOGNISED WITH THE CONTRACTED PRICE

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Contracted price | 25,743.79 | 20,285.58 |
| Reductions towards variable consideration components | (104.45) | (119.56) |
| **Revenue recognised** | **25,639.34** | **20,166.02** |

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

### 35.3 MOVEMENT IN CONTRACT ASSETS (UNBILLED REVENUE)

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 1.77 | 14.52 |
| Invoicing during the year | (1.76) | (12.59) |
| Revenue recognised during the year | 16.97 | 1.76 |
| Reversals during the year | - | (1.96) |
| Translation difference | (0.29) | 0.04 |
| **Balance at the end of the year** | **16.69** | **1.77** |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 35.4 MOVEMENT IN CONTRACT LIABILITIES (UNEARNED REVENUE)

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 1,335.62 | 816.04 |
| Invoiced during the period but not recognised as revenue | 1,383.70 | 1,281.64 |
| Revenue recognised during the year | (1,263.58) | (733.58) |
| Translation difference | 36.60 | (28.48) |
| **Balance at the end of the year** | **1,492.34** | **1,335.62** |

## 35.5 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 2025, other than those meeting the exclusion criteria mentioned above, is ₹ 4,280.83 million. Out of this, the Company expects to recognize revenue of around 82% 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 interest rate risk, salary risk, investment risk, asset liability matching risk and concentration 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 | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Present value of defined benefit obligation at the beginning of the year | 678.12 | 535.16 |
| Current service cost | 113.08 | 86.91 |
| Interest cost | 48.62 | 38.86 |
| Actuarial loss/(gain) recognised in other comprehensive income | | |
| a) changes in demographic assumptions | (21.11) | - |
| b) changes in financial assumptions | 26.03 | 4.75 |
| c) experience adjustments | 30.29 | 61.68 |
| Benefits paid | (65.86) | (49.24) |
| Present value of defined benefit obligation at the end of the year | 809.17 | 678.12 |





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 | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Fair value of plan assets at the beginning of the year | 253.09 | 222.73 |
| Interest income | 18.06 | 15.90 |
| Employer contribution | 80.66 | 61.63 |
| Benefits paid | (65.86) | (49.24) |
| Return on plan assets, excluding interest income | 5.34 | 2.07 |
| Fair value of plan assets at the end of the year | 291.29 | 253.09 |

| Amount recognised in the Balance Sheet | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Present value of obligation as at the end of the year | 809.17 | 678.12 |
| Fair value of plan assets at the end of the year | 291.29 | 253.09 |
| Funded status ((surplus)/deficit) | 517.88 | 425.03 |
| Net defined benefit obligation | 517.88 | 425.03 |

| Expenses recognized in the Statement of Profit and Loss | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Current service cost | 113.08 | 86.91 |
| Interest cost net of interest income on plan assets | 30.56 | 22.96 |
| Expenses recognized in the Statement of Profit and Loss | 143.64 | 109.87 |

| Expenses recognized in the Other Comprehensive Income (OCI) | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Actuarial loss/(gain) | 35.21 | 66.43 |
| Return on plan assets, excluding interest income | 5.34 | 2.07 |
| Net (income)/expense recognized in the OCI | 29.87 | 64.36 |

| Category of assets | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Insurance fund | 291.29 | 253.09 |

| Actuarial Assumptions: | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Expected return on plan assets | 6.78% | 7.19% |
| Discount rate | 6.78% | 7.19% |
| Salary Escalation | 5.00% | 5.00% |
| Attrition Rate | 7.00% | 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.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Defined benefit obligation | | Defined benefit obligation | |
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1 % movement) | (60.77) | 70.87 | (28.49) | 31.50 |
| Future salary growth (1 % movement) | 71.44 | (62.28) | 31.87 | (29.32) |
| Attrition rate (1 % movement) | 4.35 | (5.78) | 0.22 | (0.57) |

Maturity profile of defined benefit plan:

| Projected benefits payable in future years from the date of reporting | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Within 1 year | 55.65 | 131.61 |
| 1-2 year | 56.01 | 80.26 |
| 2-3 year | 99.57 | 81.14 |
| 3-4 year | 90.99 | 79.14 |
| 4-5 year | 68.54 | 91.61 |
| 5-10 years | 300.31 | 269.08 |
| Thereafter | 985.99 | 278.02 |

Other details:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Number of active members | 9,862 | 9,457 |
| Per month salary cost for all active members (₹ million) | 391.13 | 353.45 |
| Weighted average duration of the projected benefit obligation (years) | 10.00 | 6.00 |
| Average expected future service (years) | 11.00 | 6.00 |
| Projected benefit obligation (₹ million) | 809.17 | 678.12 |
| Prescribed contribution for next year (12 months) (₹ million) | 80.00 | 80.00 |

## 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





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2025 are 10,000 and 10,000 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 2025 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 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | No. of options | Weighted average exercise price | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | NA | NA | 120,800 | 46.34 |
| Exercised during the year | NA | NA | 118,600 | 46.36 |
| Lapsed during the year | NA | NA | 2,200 | 44.96 |
| Options outstanding at the end of the year | NA | NA | - | - |
| Options exercisable at the end of the year | NA | NA | - | - |

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the previous year was ₹ 667.89.

The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

### 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 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.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

| Particulars | FY 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | No. of options | Weighted average exercise price | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | 2,061,355 | 10.00 | 2,710,825 | 10.00 |
| Options granted during the year | 5,000 | 10.00 | 80,000 | 10.00 |
| Forfeited/surrendered during the year | 23,600 | 10.00 | 47,200 | 10.00 |
| Exercised during the year | 475,485 | 10.00 | 679,770 | 10.00 |
| Lapsed during the year | - | 10.00 | 2,500 | 10.00 |
| Options outstanding at the end of the year | 1,567,270 | 10.00 | 2,061,355 | 10.00 |
| Options exercisable at the end of the year | 1,451,870 | 10.00 | 1,776,380 | 10.00 |

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 1,538.74.

The weighted average remaining contractual life are as follows:

| Range of Exercise Price | FY 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | Weighted average contractual life (years) | No. of options outstanding | Weighted average contractual life (years) | No. of options outstanding |
| ₹ 0 to ₹ 50 | 3.15 | 1,567,270 | 4.09 | 2,061,355 |

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 2024-25 | FY 2023-24 |
|---|---|---|
| Exercise price (₹) | 10.00 | 10.00 |
| Weighted average price of the underlying share in market at the time of the option grant (₹) | 1,409.30 | 1,145.01 |
| Weighted average fair value of options granted (₹) | 1,381.68 | 1,123.94 |
| Expected life of the option (years) | 3.76 | 3.76 |
| Risk free interest rate (%) | 7.08 | 6.95 |
| Expected volatility (%) | 44.36 | 47.36 |
| Dividend yield (%) | 0.38 | 0.32 |

The Company recorded an employee compensation cost of ₹ 26.72 million (Previous year ₹ 44.83 million) in the Statement of Profit and Loss. This is net of recoveries from subsidiaries ₹ 30.76 million (Previous year ₹ 46.44 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 KPIT TECHNOLOGIES LIMITED - RESTRICTED STOCK UNIT PLAN 2022

The Board of Directors and the shareholders of the Company approved KPIT Technologies Limited - Restricted Stock Unit Plan 2022 (RSU 2022) at their meetings held on 25 July 2022 and on 24 August 2022, respectively. The Nomination and Remuneration (HR) Committee of the Board of Directors ("Committee") of the Company administers this Plan. Each Restricted Stock Unit ("RSU") carries with it the right to purchase one equity share of the Company. The RSUs approved under this scheme are 4,112,157.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

During the current year, RSUs under the said scheme have been granted to employees of the Company and its subsidiaries at an exercise price equivalent to the face value of the Company's shares as on the date of grant.

The RSUs 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 its grant or such period as may be decided by the Committee at the time of each grant. The exact proportion in which and the exact period over which the RSUs would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of RSUs. 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 2024-25 | |
|---|---|---|
| | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | - | NA |
| Options granted during the year | 838,550 | 10.00 |
| Forfeited/surrendered during the year | 13,200 | 10.00 |
| Options outstanding at the end of the year | 825,350 | 10.00 |
| Options exercisable at the end of the year | - | 10.00 |

The weighted average remaining contractual life are as follows:

| Range of exercise price | FY 2024-25 | |
|---|---|---|
| | Weighted average contractual life (years) | No. of options outstanding |
| ₹ 0 to ₹ 50 | 6.19 | 825,350 |

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 2024-25 |
|---|---|
| Exercise price (₹) | 10.00 |
| Weighted average price of the underlying share in market at the time of the option grant (₹) | 1,414.29 |
| Weighted average fair value of options granted (₹) | 1,386.47 |
| Expected life of the option (years) | 3.76 |
| Risk free interest rate (%) | 7.06 |
| Expected volatility (%) | 44.27 |
| Dividend yield (%) | 0.38 |

The Company recorded an employee compensation cost of ₹ 307.64 million in the Statement of Profit and Loss. This is net of recoveries from subsidiaries ₹ 305.30 million.

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

# 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 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Tax expense** | | |
| Current tax | 1,587.24 | 1,085.31 |
| Deferred tax (benefit)/charge | (44.51) | 26.88 |
| **Total tax expense** | **1,542.73** | **1,112.19** |

The net charge relating to temporary differences during the year ended 31 March 2025 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 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Profit before tax | 6,361.11 | 4,380.47 |
| Indian statutory income tax rate | 34.944% | 34.944% |
| Expected income tax expense | 2,222.83 | 1,530.71 |
| **Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense** | | |
| Effect of income tax exemption/tax holiday | (959.07) | (664.87) |
| Effect of permanent adjustments | 53.90 | 98.37 |
| Effect of unrecognized deferred tax assets | (0.77) | (2.27) |
| Effect relating to prior years | 15.16 | (6.25) |
| Others (net) | 210.68 | 156.50 |
| **Total tax expense** | **1,542.73** | **1,112.19** |

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 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).





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 2025:

| Particulars | Net deferred income tax (liability) / asset at the beginning as on 1 April 2024 | 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 2025 |
|---|---|---|---|---|---|
| **Deferred tax asset** | | | | | |
| Property, plant and equipment and intangible assets | - | 13.47 | - | - | 13.47 |
| Provision for employee benefits | 124.71 | 15.89 | 10.44 | - | 151.04 |
| MAT credit entitlement | 186.54 | (18.00) | - | (168.54) | - |
| Provisions | 94.26 | (20.23) | - | - | 74.03 |
| Others | 29.00 | 6.62 | - | - | 35.62 |
| **Total deferred tax asset** | **434.51** | **(2.25)** | **10.44** | **(168.54)** | **274.16** |
| **Deferred tax liabilities** | | | | | |
| Property, plant and equipment and intangible assets | 51.91 | (51.91) | - | - | - |
| Forward contracts designated as cash flow hedge | 46.81 | - | (26.35) | - | 20.46 |
| Others | 2.33 | 5.15 | - | - | 7.48 |
| **Total deferred tax liability** | **101.05** | **(46.76)** | **(26.35)** | **-** | **27.94** |
| **Net deferred tax asset/(liability)** | **333.46** | **44.51** | **36.79** | **(168.54)** | **246.22** |

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** |

# 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 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Face value per equity share (₹)** | **10.00** | **10.00** |
| Profit for the year (₹ million) | 4,818.38 | 3,268.28 |
| Weighted average number of equity shares outstanding | 271,477,627 | 270,893,910 |
| **Earnings per share – basic (₹)** | **17.75** | **12.06** |
| Weighted average number of equity shares outstanding | 271,477,627 | 270,893,910 |
| Add: Effect of dilutive potential equity shares on account of employee stock options | 2,018,273 | 2,246,952 |
| Weighted average number of diluted equity shares | 273,495,900 | 273,140,862 |
| **Earnings per share – diluted (₹)** | **17.62** | **11.97** |

## 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 2025 | 31 March 2024 |
|---|---|---|
| Non-current lease liabilities | 1,172.32 | 460.34 |
| Current lease liabilities | 258.50 | 216.05 |
| **Total** | **1,430.82** | **676.39** |

**C Movement in lease liabilities**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 676.39 | 561.31 |
| Additions during the year | 890.28 | 280.65 |
| Finance cost accrued on lease liabilities | 82.90 | 57.78 |
| Payment of lease liabilities | 305.90 | 223.05 |
| Termination/modification of leases | (87.15) | 0.30 |
| **Balance at the end of the year** | **1,430.82** | **676.39** |

**D Contractual maturity analysis of lease liabilities on an undiscounted cash flows basis**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Not later than one year | 376.09 | 268.33 |
| Later than one year and not later than five years | 1,189.95 | 488.08 |
| Later than five years | 221.01 | 47.65 |
| **Total undiscounted lease liabilities** | **1,787.05** | **804.06** |

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 - ₹ 29.39 million (Previous Year ₹ 23.24 million).

b. Low value leases - ₹ 2.26 million (Previous Year ₹ 0.52 million).

COMPANY AS A LESSOR

During the current year, the Company has subleased one of its leased premises. The Company has classified this lease as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

**A Maturity analysis of cashflows of operating lease on an undiscounted cash flows basis**

| Particulars | 31 March 2025 |
|---|---|
| Not later than 1 year | 0.01 |

## 41 DETAILS OF PROVISIONS AND MOVEMENTS IN E ACH 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 2025 | 31 March 2024 |
|---|---|---|
| Carrying amount as at the beginning of the year | 243.36 | 169.35 |
| Additional provision made during the year | - | 74.01 |
| Reversal during the year | (54.99) | - |
| Carrying amount at the end of the year | 188.37 | 243.36 |

The expected period of utilisation of warranty provision cannot be reasonably estimated as at the reporting date.

41.2 CONTINGENT LIABILITIES

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Outstanding bank guarantees in routine course of business | 6.57 | 44.75 |
| GST related matters appealed by the Company | - | 2.98 |
| Income tax matters appealed by the Company* | 32.98 | 32.98 |

*excluding consequential interest and penalty, if any.

The Company has issued corporate guarantee on behalf of KPIT Technologies GmbH and KPIT Technologies Holding Inc. for an amount of ₹ 461.62 million and ₹ 256.74 million respectively. However, no borrowings availed by the subsidiaries as at the reporting date.

41.3 COMMITMENTS

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | | |
| a. Property, plant and equipment | 138.26 | 89.80 |
| b. Intangible assets | 13.11 | 18.99 |
| (ii) Leases not yet commenced to which the Company is committed (on an undiscounted cash flows basis) | 484.25 | 303.70 |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 42 RELATED PARTY DISCLOSURES

### 42.1 SUBSIDIARIES

#### A. Direct subsidiaries

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 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 Holding Inc. | United States of America | 100 | 100 |
| 5 | KPIT Technologias Ltda.[ii] | Brazil | 100 | 100 |
| 6 | PathPartner Technology Private Limited[iii] | India | 100 | 80 |
| 7 | KPIT Technologies GK[iv] | Japan | 100 | 100 |
| 8 | Qorix GmbH[v] | Germany | NA | 100 |

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

ii. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA

iii. As per the original Share Purchase Agreement, during the current year, the Company has acquired the balance shares in PathPartner Technology Private Limited.

iv. Includes KPIT Technologies GK, Korea branch.

v. During the current year, Qorix GmbH has become joint venture company with effect from 27 June 2024.

#### B. Indirect subsidiaries

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| | **Direct subsidiaries of KPIT Technologies (UK) Limited** | | | |
| 1 | KPIT Technologies GmbH, Germany[i] | Germany | 100 | 100 |
| 2 | KPIT Tech (Thailand) Co., Ltd.[ii] | Thailand | 100 | 100 |
| 3 | SOMIT Solutions Limited | United Kingdom | 100 | 100 |
| 4 | KPIT Technologies AB (w.e.f. 11 December 2024) | Sweden | 100 | NA |
| | **Direct subsidiary of KPIT Technologies Netherlands B.V.** | | | |
| 5 | KPIT Technologies S.A.S. | France | 100 | 100 |
| | **Direct subsidiary of KPIT Technologies Holding Inc.** | | | |
| 6 | KPIT Technologies Inc. | United States of America | 100 | 100 |
| | **Direct subsidiaries of PathPartner Technology Private Limited** | | | |
| 7 | PathPartner Technology Inc. | United States of America | 100 | 80 |
| 8 | PathPartner Technology GmbH[iii] | Germany | NA | 80 |
| | **Direct subsidiaries of KPIT Technologies GmbH** | | | |
| 9 | MicroFuzzy Industrie-Elektronic GmbH | Germany | 100 | 100 |
| 10 | Technica Engineering GmbH | Germany | 100 | 100 |
| 11 | Technica Electronics Barcelona S.L. | Spain | 100 | 100 |
| 12 | Technica Engineering Spain S.L. | Spain | 100 | 100 |
| 13 | KPIT Engineering Suarl (w.e.f. 4 December 2024) | Tunisia | 100 | NA |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 14 | FMS Future Mobility Solutions GmbH[iv] | Germany | NA | 100 |
| | **Direct subsidiary of KPIT Technologies Inc.** | | | |
| 15 | Technica Engineering Inc. | United States of America | 100 | 100 |
| | **Direct subsidiary of SOMIT Solutions Limited** | | | |
| 16 | SOMIT Solutions Inc | United States of America | 100 | 100 |

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

iii. Liquidated on 2 October 2024.

iv. Merged with KPIT Technologies GmbH, Germany with the appointed date of 1 January 2024.

#### C. Employee benefit trusts

| S. No. | Name of the trust | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | KPIT Technologies Employees Welfare Trust | India | 100 | 100 |
| 2 | KPIT Technologies Limited Employees Group Gratuity Scheme | India | 100 | 100 |

### 42.2 JOINT VENTURE

| S. No. | Name of joint venture | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | Qorix GmbH[i] | Germany | 44.44 | NA |
| | **Wholly owned subsidiary of Qorix GmbH** | | | |
| 2 | Qorix India Private Limited[i] | India | 44.44 | NA |

i. The Company had 50% ownership with effect from 27 June 2024 upto 12 March 2025 and subsequently 44.44% ownership effective 13 March 2025. Refer note 45 for more information on investment in Qorix GmbH.

### 42.3 ASSOCIATE

| S. No. | Name of associate | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | N-Dream AG (w.e.f 14 December 2023) | Switzerland | 26.00 | 13.01 |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 42.4 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 |
| | 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) |
| | Mr. Vijay Keshav Gokhale | Additional and Independent Director (w.e.f. 23 October 2024) |
| | Mr. Ramesh Raskar | Additional and Independent Director (w.e.f. 29 January 2025) |
| | Mr. Nishant Batra | Additional and Independent Director (w.e.f. 29 January 2025) |
| | Ms. Priyamvada Hardikar | Chief Financial Officer |
| | Mr. Ashish Malhotra | General Counsel & Company Secretary (w.e.f. 28 April 2025) |
| | Ms. Nida Deshpande | Company Secretary (upto 27 April 2025) |

## 42.5 LIST OF OTHER RELATED PARTIES WITH WHOM THERE ARE TRANSACTIONS:

| | |
|---|---|
| Promoters | Mr. Ajay Bhagwat |
| | Mr. Ashwini Bhagwat |
| | Mr. Shrikrishna Patwardhan |
| Relatives of KMP | Mr. S.B.(Ravi) Pandit |
| | 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 |
| | Ms. Rupashree Sable |
| Enterprise over which KMP have significant influence | Proficient FinStock LLP |
| | Kirtane & Pandit LLP |
| | K & P Management Services Private Limited |
| | Sentient Labs LLP (formerly Sentient Labs Private Limited) |

## 42.6 TRANSACTIONS WITH RELATED PARTIES

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| **Transactions with subsidiary companies** | | | | | |
| **1** | **KPIT Technologies Holding Inc.** | | | | |
| | Investment in equity | Nil | 1,254.60 | Nil | 1,254.60 |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| **2** | **MicroFuzzy Industrie-Elektronic GmbH** | | | | |
| | Sales | 936.16 | 222.96 | 643.48 | (82.08) |
| | Reimbursement revenue | 51.91 | | (1.22) | |
| | Advance given (net) | 0.34 | 31.40 | 0.45 | (0.76) |
| | Reimbursement of expenses (net) | (32.21) | | (2.08) | |
| **3** | **KPIT Technologies GmbH** | | | | |
| | Sales | 2,105.79 | 239.55 | 2,685.30 | 492.03 |
| | Reimbursement revenue | 0.79 | | 74.94 | |
| | Allocation of administrative support charges | 112.83 | | 97.28 | |
| | Investment in equity | 925.00 | 5,820.26 | 1,337.30 | 4,895.26 |
| | Advance given (net) | 19.84 | 3.99 | 17.00 | (53.56) |
| | Reimbursement of expenses (net) | (41.46) | | 75.41 | |
| **4** | **KPIT Technologies (UK) Limited** | | | | |
| | Sales | 2,073.95 | 221.71 | 2,002.22 | 365.99 |
| | Reimbursement revenue | 15.72 | | 12.73 | |
| | Allocation of administrative support charges | 45.87 | | 39.25 | |
| | Investment in equity | Nil | 1,273.72 | Nil | 1,273.72 |
| | Advance given (net) | 15.98 | (0.85) | 12.14 | 5.85 |
| | Reimbursement of expenses (net) | (7.19) | | 23.79 | |
| **5** | **KPIT Technologies GK** | | | | |
| | Sales | 7,372.13 | 294.05 | 3,967.39 | 558.08 |
| | Reimbursement revenue | 392.20 | | 190.90 | |
| | Allocation of administrative support charges | 92.03 | | 51.72 | |
| | Investment in equity | Nil | 18.08 | Nil | 18.08 |
| | Advance given (net) | 217.89 | 5.60 | 25.78 | 5.09 |
| | Reimbursement of expenses (net) | (38.12) | | (5.53) | |
| **6** | **KPIT Technologies GK (South Korea Branch)** | | | | |
| | Sales | 203.16 | 121.19 | 140.38 | 64.30 |
| | Reimbursement revenue | 3.04 | | 0.35 | |
| | Advance given (net) | 0.36 | 1.83 | 1.42 | 0.00* |
| | Reimbursement of expenses (net) | (1.48) | | 0.30 | |
| **7** | **KPIT (Shanghai) Software Technology Co. Limited** | | | | |
| | Sales | 191.85 | 39.73 | 235.14 | 37.94 |
| | Reimbursement revenue | 2.92 | | 5.33 | |
| | Allocation of administrative support charges | 5.40 | | 5.90 | |
| | Investment in equity | Nil | 128.84 | Nil | 128.84 |
| | Advance given (net) | 0.34 | (4.84) | 0.45 | 0.08 |
| | Reimbursement of expenses (net) | 4.80 | | (0.06) | |
| **8** | **KPIT Technologies (UK) Limited (Italy branch)** | | | | |
| | Sales | Nil | (0.09) | Nil | (0.09) |
| | Reimbursement revenue | Nil | | Nil | |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| **9** | **KPIT Technologies (UK) Limited (Sweden branch)** | | | | |
| | Sales | 66.14 | 28.75 | 34.83 | 8.34 |
| | Reimbursement of expenses (net) | (0.13) | Nil | (0.11) | Nil |
| **10** | **KPIT Technologias Ltd** | | | | |
| | Investment in equity | Nil | 17.48 | Nil | 17.48 |
| | Reimbursement of expenses (net) | (0.83) | 0.44 | Nil | Nil |
| **11** | **KPIT Technologies Netherlands B.V.** | | | | |
| | Sales | 361.03 | | 613.96 | |
| | Reimbursement revenue | 10.96 | 41.52 | 8.56 | 40.89 |
| | Allocation of administrative support charges | 12.74 | | 13.71 | |
| | Investment in equity | Nil | 34.30 | Nil | 34.30 |
| | Advance given (net) | 4.98 | 0.45 | 3.75 | (1.62) |
| | Reimbursement of expenses (net) | (0.78) | | (0.71) | |
| **12** | **KPIT Technologies Inc., USA** | | | | |
| | Sales | 7,039.11 | | 6,565.12 | |
| | Reimbursement revenue | 27.73 | 1,288.68 | 88.79 | 1,268.80 |
| | Allocation of administrative support charges | 198.29 | | 201.95 | |
| | Advance given (net) | 10.61 | 3.59 | 24.29 | (5.48) |
| | Reimbursement of expenses (net)[iv] | (102.42) | | 5.31 | |
| **13** | **KPIT Tech (Thailand) Co., Ltd.** | | | | |
| | Advance given (net) | 0.90 | 2.66 | 0.35 | 0.30 |
| | Reimbursement of expenses (net) | (1.39) | | (0.14) | |
| **14** | **PathPartner Technology Private Limited** | | | | |
| | Sales | 26.24 | 1.08 | 10.44 | 2.71 |
| | Software service charges | 81.25 | (14.60) | 12.77 | 0.14 |
| | Reimbursement of expenses (net) | (33.89) | 33.92 | (93.48) | 7.72 |
| **15** | **SOMIT Solutions Limited** | | | | |
| | Sales | Nil | Nil | 0.98 | 0.67 |
| **16** | **SOMIT Solutions Inc.** | | | | |
| | Sales | 0.07 | Nil | 1.58 | 0.96 |
| **17** | **KPIT Technologies S.A.S.** | | | | |
| | Sales | 1,622.90 | | 1,066.54 | |
| | Reimbursement revenue | 20.68 | 206.44 | 25.74 | 313.31 |
| | Allocation of administrative support charges | 25.63 | | 28.44 | |
| | Advance given (net) | 3.91 | 13.93 | 15.13 | (1.45) |
| | Reimbursement of expenses (net) | (11.22) | | (0.42) | |
| **18** | **Qorix GmbH (upto 26 June 2024)** | | | | |
| | Investment in equity | 897.50 | NA | 406.13 | 450.64 |
| | Sale of asset | Nil | NA | 901.00 | 902.20 |
| | Software service charges | 1.71 | NA | Nil | Nil |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| **19** | **Technica Engineering GmbH** | | | | |
| | Software service charges | 64.34 | (44.71) | 9.62 | (0.62) |
| **20** | **Technica Electronics Barcelona S.L.** | | | | |
| | Software service charges | 9.98 | (2.27) | 4.88 | (0.00)* |
| **21** | **PathPartner Technology Inc.** | | | | |
| | Sales | 0.75 | Nil | 0.41 | 0.41 |
| | Reimbursement of expenses (net) | (0.69) | Nil | Nil | Nil |
| **Transactions with Joint Venture/Associate** | | | | | |
| **1** | **Qorix GmbH (w.e.f 27 June 2024)** | | | | |
| | Sales | 913.60 | 23.54 | NA | NA |
| | Software service charges | 10.80 | Nil | NA | NA |
| **2** | **Qorix India Private Limited** | | | | |
| | Reimbursement of expenses (net) | (5.96) | (0.29) | NA | NA |
| | Support service charges | 50.87 | 64.24 | NA | NA |
| | Sublease income | 0.10 | Nil | NA | NA |
| **3** | **N-Dream AG** | | | | |
| | Investment in equity (net of derivative) | 215.28 | 449.81 | 86.75 | 86.75 |
| **Transactions with Key Management Personnel and relative of Key Management Personnel [i]** | | | | | |
| **1** | **Mr. S. B. (Ravi) Pandit** | | | | |
| | Dividend paid | 7.02 | Nil | 4.70 | Nil |
| | Commission paid[ii] | 14.60 | Nil | 10.39 | Nil |
| | Sitting fees | 0.61 | Nil | 0.55 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 1.02 | (2.73) | 0.14 | Nil |
| **2** | **Mr. Kishor Patil** | | | | |
| | Short term employee benefits | 28.57 | Nil | 24.01 | Nil |
| | Variable performance incentive[iii] | 36.96 | Nil | 38.94 | Nil |
| | Post employment benefits | 3.36 | Nil | 2.85 | Nil |
| | Dividend paid | 94.75 | Nil | 63.39 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 0.72 | (0.00)* | 1.04 | 0.08 |
| **3** | **Mr. Sachin Tikekar** | | | | |
| | Short term employee benefits | 26.08 | Nil | 22.03 | Nil |
| | Variable performance incentive | 14.56 | Nil | - | Nil |
| | Post employment benefits | 2.42 | Nil | 2.06 | Nil |
| | Dividend paid | 5.26 | Nil | 3.52 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 0.39 | Nil | 0.57 | 0.03 |
| **4** | **Mr. Anup Sable** | | | | |
| | Short term employee benefits | 12.36 | Nil | 12.17 | Nil |
| | Variable performance incentive[iii] | 4.97 | Nil | 3.83 | Nil |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| | Post employment benefits | 0.46 | Nil | 0.42 | Nil |
| | Share based compensation | 6.24 | Nil | 2.07 | Nil |
| | Dividend paid | 2.73 | Nil | 1.91 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 2.15 | (0.22) | 2.18 | 0.29 |
| **Transactions with Key Management Personnel and relative of Key Management Personnel [i]** | | | | | |
| **5** | **Mr. Chinmay Pandit** | | | | |
| | Dividend paid | 0.27 | Nil | 0.18 | Nil |
| | Perquisites | 0.00* | Nil | Nil | Nil |
| **6** | **Mr. Anant Talaulicar** | | | | |
| | Commission paid[ii] | 7.69 | Nil | 6.75 | Nil |
| | Sitting fees | 0.68 | Nil | 0.59 | Nil |
| **7** | **Mr. B V R Subbu** | | | | |
| | Commission paid[ii] | 4.21 | Nil | 3.97 | Nil |
| | Sitting fees | 0.44 | Nil | 0.43 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.02 | Nil |
| **8** | **Prof. Alberto Sangiovanni Vincentelli** | | | | |
| | Commission paid[ii] | 5.51 | Nil | 4.91 | Nil |
| | Reimbursement of expenses (net) | 1.53 | Nil | 0.42 | Nil |
| | Sitting fees | 0.30 | Nil | 0.20 | Nil |
| **9** | **Mr. Nickhil Jakatdar** | | | | |
| | Commission paid | 1.87 | Nil | 2.67 | Nil |
| | Sitting fees | Nil | Nil | 0.09 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 1.17 | Nil |
| **10** | **Ms. Bhavna Doshi** | | | | |
| | Sitting fees | 0.42 | Nil | 0.41 | Nil |
| | Commission paid[ii] | 4.57 | Nil | 3.80 | Nil |
| **11** | **Prof. Rajiv Lal** | | | | |
| | Sitting fees | 0.33 | Nil | 0.25 | Nil |
| | Commission paid[ii] | 4.45 | Nil | 3.97 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.01 | Nil |
| **12** | **Mr. Nishant Batra** | | | | |
| | Sitting fees | 0.06 | Nil | NA | NA |
| **13** | **Mr. Ramesh Raskar** | | | | |
| | Sitting fees | 0.06 | Nil | NA | NA |
| **14** | **Mr. Vijay Keshav Gokhale** | | | | |
| | Sitting fees | 0.09 | Nil | NA | NA |
| **15** | **Ms. Priyamvada Hardikar** | | | | |
| | Short term employee benefits | 15.67 | Nil | 14.88 | Nil |
| | Post employment benefits | 0.36 | Nil | 0.31 | Nil |
| | Share based compensation | 6.24 | Nil | 2.04 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| | Dividend paid | 0.51 | Nil | 0.34 | Nil |
| | Reimbursement of expenses (net) | 0.46 | Nil | 0.27 | (0.00)* |
| **16** | **Ms. Nida Deshpande** | | | | |
| | Short term employee benefits | 4.67 | Nil | 4.50 | Nil |
| | Post employment benefits | 0.19 | Nil | 0.17 | Nil |
| | Perquisites | 0.03 | Nil | 0.48 | Nil |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| | Reimbursement of expenses (net) | 0.00* | Nil | 0.01 | Nil |
| | Share based compensation | 1.18 | Nil | 0.01 | Nil |
| **17** | **Ms. Jayada Pandit** | | | | |
| | Short term employee benefits | 0.02 | Nil | 1.02 | Nil |
| | Post employment benefits | Nil | Nil | 0.03 | Nil |
| | Perquisites | 0.00* | Nil | Nil | Nil |
| **18** | **Ms. Manasi Patil** | | | | |
| | Short term employee benefits | 3.85 | Nil | 3.22 | Nil |
| | Post employment benefits | 0.11 | Nil | 0.10 | Nil |
| | Dividend paid | 0.02 | Nil | 0.01 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| **19** | **Ms. Hemlata Shende** | | | | |
| | Dividend paid | 0.11 | Nil | 0.10 | Nil |
| **20** | **Ms. Anupama Patil** | | | | |
| | Dividend paid | 0.83 | Nil | 0.55 | Nil |
| **21** | **Ms. Nirmala Shashishekhar Pandit** | | | | |
| | Dividend paid | 1.70 | Nil | 1.14 | Nil |
| **22** | **Ms. Asha Khandkar** | | | | |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| **23** | **Mr. Ameya Mehendale** | | | | |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| **24** | **Ms. Rupashree Sable** | | | | |
| | Dividend paid | 0.01 | Nil | 0.01 | Nil |
| **25** | **Mr. Srinath Batni** | | | | |
| | Sitting fees | 0.41 | Nil | 0.16 | Nil |
| | Dividend paid | 0.14 | Nil | Nil | Nil |
| | Commission paid[ii] | 1.49 | Nil | Nil | Nil |
| **Transactions with promoters [i]** | | | | | |
| **1** | **Mr. Ajay Bhagwat** | | | | |
| | Dividend paid | 17.18 | Nil | 11.49 | Nil |
| **2** | **Ms. Ashwini Bhagwat** | | | | |
| | Dividend paid | 0.31 | Nil | 0.21 | Nil |
| **3** | **Mr. Shrikrishna Patwardhan** | | | | |
| | Short term employee benefits | Nil | Nil | 0.56 | Nil |
| | Post employment benefits | Nil | Nil | 0.03 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.19 | Nil |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/(Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/(Credit) |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Dividend paid | 7.81 | Nil | 5.23 | Nil |
| **Transactions with enterprise over which Key Management Personnel have significant influence** | | | | | |
| **1** | **Kirtane & Pandit LLP** | | | | |
| | Professional fees | 3.12 | Nil | 2.18 | (0.21) |
| **2** | **K & P Management Services Private Limited** | | | | |
| | Dividend paid | 2.14 | Nil | 1.43 | Nil |
| **3** | **Proficient FinStock LLP** | | | | |
| | Dividend paid | 630.92 | Nil | 422.09 | Nil |
| **4** | **Sentient Labs LLP (formerly Sentient Labs Private Limited)** | | | | |
| | Advance received (net) | Nil | Nil | 21.75 | (2.40) |
| | Reimbursement of professional fees | 6.11 | | 9.16 | |
| | Payment for non-lithium battery technology | 337.72 | Nil | Nil | Nil |
| | Sublease income | 0.06 | 0.07 | Nil | Nil |
| **Transactions with Employee benefit trust** | | | | | |
| **1** | **KPIT Technologies Limited Employees Group Gratuity Scheme** | | | | |
| | Contribution to post employment benefit plan | 80.00 | 295.68 | 61.63 | 257.58 |

**Since denominated in ₹ millions.*

(i) Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

(ii) The commission paid to Non-Executive Directors pertains to the financial year 2023-24, which was determined and paid during the current financial year. The commission for the financial year 2024-25 will be paid after evaluation and approval by the Board of Directors.

(iii) Includes variable performance incentive pertaining to Executive Directors, amounting to ₹ 23.00 million for the financial year 2023-24 (Previous year ₹ 23.99 million for the financial year 2022-23), determined and paid in the current financial year, based on the Group's policy for payment of variable performance incentive.

(iv) Includes reimbursement of salary paid by KPIT Technologies Inc. on behalf of KPIT Technologies Limited, pertaining to Mr. Sachin Tikekar and Mr. Chinmay Pandit, amounting to ₹ 17.05 million (Previous year ₹ 18.67 million) and ₹ 8.24 million (Previous year ₹ 7.10 million), respectively.

### 42.7 TERMS AND CONDITIONS OF TRANSACTIONS WITH RELATED PARTIES

1 All the transactions with the related parties entered during the year were in ordinary course of the business and are priced on an arm's length basis. Outstanding balances at the reporting dates are unsecured and settlement occurs in cash.

2 During the year ended 31 March 2025, the Company has reversed an amount of ₹ 99.52 million (Previous year recognised an amount of ₹ 126.04 million) as an allowance for bad and doubtful receivables due from related parties. As at 31 March 2025, an allowance for bad and doubtful receivables from related parties is ₹ 100.30 million (Previous year ₹ 199.82 million).

3 There have been no guarantees given or received for any related party receivables or payables.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

### 43 ANALYTICAL RATIOS

| Ratio/Measure | Numerator | Denominator | 31 March 2025 | 31 March 2024 | Variance |
|---|---|---|---|---|---|
| Current ratio (Refer note i below) | Current assets | Current liabilities | 2.18 | 1.66 | 31.24% |
| Debt-equity ratio (Refer note ii below) | Total debt[a] | Shareholders' equity | 0.07 | 0.04 | 73.12% |
| Debt service coverage ratio (Refer note iii below) | Earnings available for debt service[b] | Debt service[c] | 19.57 | 15.19 | 28.86% |
| Return on equity | Net profits after taxes | Average shareholders' equity | 27.12% | 21.89% | 23.86% |
| Trade receivables turnover ratio (Refer note iii below) | Revenue from operations | Average trade receivables | 6.36 | 4.76 | 33.48% |
| Trade payables turnover ratio (Refer note iv below) | Purchase of services and other expenses | Closing trade payables[e] | 3.96 | 3.00 | 32.00% |
| Net capital turnover ratio | Revenue from operations | Working capital | 5.35 | 6.62 | -19.19% |
| Net profit ratio | Net profit after tax | Revenue | 18.79% | 16.21% | 15.96% |
| Return on capital employed | Earning before interest and taxes | Capital Employed[d] | 31.37% | 27.61% | 13.64% |
| Return on investment (treasury operations) | Income generated from investments[f] | Time weighted average investment | | | |
| Quoted | | | 7.13% | 6.73% | 5.94% |
| Unquoted | | | 6.33% | 6.31% | 0.32% |

**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. The ratio has improved due to increase in investments and settlement of purchase consideration payable.

ii. Increase in Debt-equity ratio is on account of higher lease liabilities during the year.

iii. Revenue growth with higher operational efficiency has resulted into improvement in the respective ratios.

iv. Increase in the ratio is mainly on account of increased business operations.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

## 44 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.

## 45 INVESTMENT IN QORIX GMBH

During the current year, ZF Friedrichshafen AG ("ZF") has invested EURO 1.35 million in Qorix GmbH, a wholly owned subsidiary of KPIT Technologies Limited (KPIT), based on definitive terms of the Joint Venture Agreement entered into by KPIT and ZF to make an independent company focused on the creation of worldclass automotive middleware stack. Consequently, effective 27 June 2024, Qorix GmbH has become a Joint Venture Company of KPIT and ZF having 50:50 ownership. ZF has further invested EURO 13.65 million till date and assigned its relevant IP into Qorix GmbH.

On 13 May 2024, Qorix GmbH has incorporated a wholly owned step-down subsidiary named "Qorix India Private Limited".

Subsequently, Qualcomm Ventures LLC ("Qualcomm") joins as a strategic minority shareholder in Qorix GmbH with KPIT and ZF as significant shareholders. This partnership further strengthen the position of Qorix GmbH as a leading provider of middleware solutions for Software-Defined Vehicles (SDVs). Pursuant to this, Qualcomm has invested an amount of EUR 10.00 million, through an equity infusion, for a stake of 11.11% in Qorix GmbH.

## 46 INVESTMENT IN N-DREAM AG

During the previous year, the Company had 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.

During the previous year, the Company had 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. Pursuant to this, during the current year, the Company has acquired an additional 12.99% stake in N-Dream for a cash consideration of EUR 3.00 million. With this additional share purchase, total shareholding of the Company is 26.00% in N-Dream. The Company continues to hold non-controlling equity holding in N-Dream.

As at the initial investment date, the Company had recognised derivate asset for the same. The derivative asset was initially measured at fair value and correspondingly adjusted in the cost of investment amounting to ₹ 184.45 million. The fair value of derivative asset is ₹ 40.32 million and ₹ 179.23 million as at 31 March 2025 and 31 March 2024, respectively. Fair valuation impact of ₹ 60.43 million and ₹ 5.46 million is recognised in the Statement of Profit & Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

## 47

The proposed amalgamation of PathPartner Technology Private Limited ("the Transferor Company"), with KPIT Technologies Limited ("the Transferee Company"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, has been approved by the Board of Directors of the Transferor Company at its meeting held on 25 April 2025 and by the Board of Directors of the Transferee Company at its meeting held on 28 April 2025. This is subject to approval of the National Company Law Tribunal.

The proposed amalgamation aims to simplify the group structure, drive synergies, and enhance stakeholder value through consolidated operations and unified financial strength.

## 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.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

| Particulars | | 31 March 2025 | 31 March 2024 |
|---|---|---|---|
| a. | Amount approved by the Board and required to be spent by the Company during the year | 70.39 | 50.74 |
| b. | Amount of expenditure incurred for purposes other than construction/ acquisition of any asset (Refer note i below) | 75.13 | 50.74 |
| 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 and Ecological balance. | |
| g. | Details of related party transactions in relation to CSR expenditure as per relevant accounting standard | - | - |

**Note:**

(i) Previous year's expenditure amount includes a provision amount of ₹ 9.50 million towards unspent CSR expenses. This unspent amount was 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 2025 | 31 March 2024 |
|---|---|---|
| Carrying amount as at the beginning of the year | 9.50 | - |
| Additional provision made during the year | - | 9.50 |
| Spend during the year | 5.00 | - |
| Carrying amount at the end of the year | 4.50 | 9.50 |

Details of excess amount spent:

| Particulars | 31 March 2025 |
|---|---|
| Carrying amount as at the beginning of the year | - |
| Amount required to be spent during the year | 70.39 |
| Amount spent during the year | 75.13 |
| Carrying amount at the end of the year | 4.74 |

Also, refer annexure on CSR activities given under 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 2025

| S. No. | Name of the intermediary | Date | Amount (₹ million) | Use of funds |
|---|---|---|---|---|
| 1 | KPIT Technologies GmbH | 24 September 2024 | 925.00 | Settlement of deferred consideration towards Technica Group. |

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

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 | |

## 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 49) 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.

**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 for the period from 1 April 2024 to 9 May 2024.





NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Amount in ₹ million)

(ii) The feature of recording audit trail (edit log) facility was not enabled for certain fields and a table at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables and Payroll for the period from 1 April 2024 to 24 April 2024.

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 2025 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 2024-2025.

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Priyamvada Hardikar**
Chief Financial Officer

Place: Pune
Date: 28 April 2025

**Kishor Patil**
CEO & Managing Director
DIN : 00076190

**Ashish Malhotra**
Company Secretary

# 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"), its associate and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2025, 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, its associate and joint ventures as at 31 March 2025, 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, its associate and joint ventures 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 45 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 over a period of time 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.<br><br>Contract estimates are formed by the Group considering the following:<br><br>1. Application of Ind AS 115 - 'Revenue from Contracts with Customers' 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.<br><br>2. There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations.<br><br>3. These contracts may involve onerous obligations on the Group requiring critical estimates to be made.<br><br>4. Contracts are subject to modification for changes in contract specification and requirements.<br><br>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.<br><br>Considering the significant estimate involved in recognition of revenue over a period of time based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter.<br><br>(Refer note 2.3(i), 3.14 and 45 to the consolidated financial statements) | In view of the significance of the matter, we and the other auditor applied the following audit procedures in this area to obtain sufficient appropriate audit evidence:<br><br>• Obtained an understanding of the systems, processes and controls implemented by the Group and evaluated the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue.<br><br>• 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;<br><br>• For selected samples of contracts, we and the other auditor inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by:<br><br>i. Evaluating the identification of performance obligations.<br><br>ii. Agreeing the transaction price to the underlying contracts.<br><br>iii. Inspecting the computation and approval of the estimates of cost to complete.<br><br>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.<br><br>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.<br><br>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 that 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.<br><br>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. Recoverable amount is defined as the higher of value in use and fair value less cost of disposal. We consider the impairment testing of goodwill by the Group allocated to Technica group cash generating unit (CGU) to involve significant estimates and judgment with a potential range of reasonable outcomes greater than our materiality for the consolidated financial statements as a whole .<br><br>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 allocated to above mentioned CGU is identified as a key audit matter.<br><br>Refer note 2.3(v) and 7 to the consolidated financial statements. | In view of the significance of the matter, we applied the following audit procedures in this area to obtain sufficient appropriate audit evidence:<br><br>• Assessed Group's evaluation of identification of cash generating units and allocation of goodwill to the respective CGUs;<br><br>• Evaluated the Group's assessment of recoverable amount and impairment assessment of goodwill allocated to the CGU;<br><br>• Where management has used an independent valuer, evaluated the independent valuer's competence, capabilities and objectivity, and assessing the valuation methodology used by the independent valuer to estimate the value in use of the CGU.<br><br>• Evaluated the reasonableness of the cash flow projections and assessed the underlying key assumptions in management's valuation models used to determine recoverable amount considering external data, including assumptions of projected margin and revenue growth rate, terminal growth rates, discount rates.<br><br>• Performed sensitivity analysis of the key assumptions, such as future revenue growth rates, projected margin and the discount rate used in determining the recoverable value;<br><br>• Comparing the forecasts against the historical performance. This was based on our knowledge of the Group and the markets in which the CGU operates.<br><br>• Engaged independent valuation specialists to assist in the evaluation of assumptions and methodologies used by the Group and its experts for the CGU.<br><br>• Evaluated the adequacy of the disclosures in the consolidated financial statements. |

## 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.





When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## 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 and joint ventures 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 and joint ventures 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 and joint ventures 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 Board of Directors of its associate and joint ventures 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 and joint ventures 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 and joint ventures 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 11 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 13,817.97 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 17,100.13 million and net cash inflows (before consolidation adjustments) amounting to Rs. 883.33 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 6 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,097.65 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 1,544.99 million and net cash inflows (before consolidation adjustments) amounting to Rs. 174.81 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 Holding Company's share of net loss (and other comprehensive income) of Rs. 31.73 million for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial information has not been audited by us or by other auditor. 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, joint venture 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, joint venture 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 Holding Company.

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, 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 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, its subsidiary and joint venture company on 31 March 2025 and 1 April 2025 taken on record by the Board of Directors of the respective companies, none of the directors of the Holding Company, its subsidiary and joint venture company incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification 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) of the Act 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 incorporated in India 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:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 51.2 to the consolidated financial statements.

   b. The Group, its associate and joint ventures did not have any material foreseeable losses on long- term contracts including derivative contracts during the year ended 31 March 2025.

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 and joint venture company incorporated in India during the year ended 31 March 2025.

d (i) The respective management of the Holding Company and its subsidiary company and joint venture company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, other than as disclosed in the Note 59 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 and joint venture 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 and joint venture 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 and joint venture company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 60(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company and joint venture 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 and joint venture 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 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 years, 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 the audit report is in compliance in accordance with Section 123 of the Act.

As stated in Note 23.8 to the consolidated financial statements, the respectiveBoard of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective 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 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 software used for maintaining all books of accounts for the period from 1 April 2024 to 9 May 2024.
- 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 a table at the application layer of the accounting software used for maintaining books of accounts relating to Revenue and Receivables and Payroll for the period from 1 April 2024 to 24 April 2024.

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.

Additionally, where the audit trail (edit log) facility was enabled in the previous year, the audit trail has been preserved by the Holding Company and its subsidiary company incorporated in India as per the statutory requirements for record retention.

Based on our examination, in case of one joint venture company incorporated in India, the accounting software used for maintianing the books of account did not have the feature of recording audit trail (edit log) facility.

Also, refer note 61 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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUK2325

Place: Pune
Date: 28 April 2025

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

**(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 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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUK2325

Place: Pune
Date: 28 April 2025





## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

**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 2025, 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 2025, 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 respective 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

**Shiraz Vastani**
*Partner*
Membership No.: 103334
ICAI UDIN:25103334BMOVUK2325

Place: Pune
Date: 28 April 2025





# CONSOLIDATED BALANCE SHEET

(Amount in ₹ million)

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 2,343.99 | 2,395.27 |
| Right-of-use assets | 5 | 3,593.97 | 3,033.45 |
| Capital work-in-progress | 6 | 93.51 | 5.16 |
| Goodwill | 7 | 11,729.08 | 11,463.25 |
| Other intangible assets | 8 | 2,050.33 | 2,261.55 |
| Intangible assets under development | 9 | 1.54 | 575.55 |
| Investments accounted for using the equity method | 10 | 1,937.09 | 81.38 |
| Financial assets | | | |
| Investments | 11 | 0.47 | 0.46 |
| Other financial assets | 12 | 364.85 | 697.91 |
| Deferred tax assets (net) | 13 | 782.74 | 787.93 |
| Income tax assets (net) | | 321.39 | 195.61 |
| Other non-current assets | 14 | 9.73 | 16.96 |
| **Total non-current assets** | | **23,228.69** | **21,514.48** |
| **Current assets** | | | |
| Inventories | 15 | 846.86 | 902.49 |
| Financial assets | | | |
| Investments | 16 | 2,382.43 | 862.91 |
| Trade receivables | 17 | | |
| Billed | | 7,547.59 | 7,489.47 |
| Unbilled | | 1,347.44 | 2,068.94 |
| Cash and cash equivalents | 18 | 10,743.15 | 6,550.19 |
| Bank balances other than cash and cash equivalents above | 19 | 1,937.63 | 1,155.13 |
| Loans | 20 | 3.48 | - |
| Other financial assets | 21 | 1,177.42 | 422.84 |
| Other current assets | 22 | 1,114.93 | 712.51 |
| **Total current assets** | | **27,100.93** | **20,164.48** |
| **TOTAL ASSETS** | | **50,329.62** | **41,678.96** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 23 | 2,717.02 | 2,712.17 |
| Other equity | | 26,404.56 | 18,746.41 |
| **Equity attributable to owners of the Company** | | 29,121.58 | 21,458.58 |
| Non-controlling interests | 56 | - | 171.09 |
| **Total equity** | | **29,121.58** | **21,629.67** |

# CONSOLIDATED BALANCE SHEET (Cont.)

(Amount in ₹ million)

| Particulars | Note | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 24 | - | 0.59 |
| Lease liabilities | 50 | 2,664.69 | 2,167.48 |
| Other financial liabilities | 25 | - | 1,546.77 |
| Provisions | 26 | 633.37 | 512.84 |
| Deferred tax liabilities (net) | 27 | 692.01 | 695.72 |
| **Total non-current liabilities** | | **3,990.07** | **4,923.40** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 28 | 15.34 | 446.77 |
| Lease liabilities | 50 | 768.64 | 672.68 |
| Trade payables | 29 | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | 19.28 | 17.37 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,763.04 | 2,380.32 |
| Other financial liabilities | 30 | 3,035.74 | 3,272.05 |
| Other current liabilities | 31 | 8,510.37 | 6,332.63 |
| Provisions | 32 | 871.31 | 771.23 |
| Income tax liabilities (net) | | 2,234.25 | 1,232.84 |
| **Total current liabilities** | | **17,217.97** | **15,125.89** |
| **TOTAL EQUITY AND LIABILITIES** | | **50,329.62** | **41,678.96** |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025





# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

| Particulars | Note | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| Revenue from operations | 33 | 58,423.45 | 48,715.41 |
| Other income | 34 | 1,673.22 | 602.67 |
| **Total income** | | **60,096.67** | **49,318.08** |
| | | | |
| **Expenses** | | | |
| Cost of materials consumed | 35 | 487.64 | 719.96 |
| Changes in inventories of finished goods and work-in-progress | 36 | 70.00 | (136.35) |
| Employee benefits expense | 37 | 36,992.71 | 31,120.25 |
| Finance costs | 38 | 423.92 | 548.25 |
| Depreciation and amortization expense | 39 | 2,249.60 | 1,957.93 |
| Other expenses | 40 | 8,575.35 | 7,098.28 |
| **Total expenses** | | **48,799.22** | **41,308.32** |
| | | | |
| **Profit before share of profit/(loss) of joint venture and associate and tax** | | **11,297.45** | **8,009.76** |
| Share of profit/(loss) of joint venture and associate (net of tax) | 10 | 28.02 | (5.37) |
| **Profit before tax** | | **11,325.47** | **8,004.39** |
| | | | |
| **Tax expense** | 48 | | |
| Current tax | | 3,093.13 | 2,379.01 |
| Deferred tax | | (163.66) | (359.75) |
| **Total tax expense** | | **2,929.47** | **2,019.26** |
| | | | |
| **Profit for the year** | | **8,396.00** | **5,985.13** |
| | | | |
| **Other comprehensive income (OCI)** | | | |
| **A. Items that will not be reclassified to profit or loss** | | | |
| (i) Remeasurements of defined benefit plans - gain/(loss) | 46 | (27.28) | (48.95) |
| (ii) Income tax on items that will not be reclassified to profit or loss | | 9.76 | 18.63 |
| **B. Items that will be reclassified to profit or loss** | | | |
| (i) Exchange differences on translation of financial statements of foreign operations | | 413.34 | 80.81 |
| (ii) Effective portion of gains/(loss) on hedging instruments in cash flow hedges | 41 | (75.40) | 212.57 |
| (iii) Income tax on items that will be reclassified to profit or loss | | 26.35 | (73.87) |
| **Total other comprehensive income/(loss) for the year, net of tax** | | **346.77** | **189.19** |
| **Total comprehensive income for the year** | | **8,742.77** | **6,174.32** |

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Cont.)

(Amount in ₹ million)

| Particulars | Note | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **Profit for the year attributable to** | | | |
| Owners of the Company | | 8,396.00 | 5,945.33 |
| Non-controlling interests | | - | 39.80 |
| | | **8,396.00** | **5,985.13** |
| **Other comprehensive income/(loss) for the year attributable to** | | | |
| Owners of the Company | | 346.77 | 186.19 |
| Non-controlling interests | | - | 3.00 |
| | | **346.77** | **189.19** |
| **Total comprehensive income for the year attributable to** | | | |
| Owners of the Company | | 8,742.77 | 6,131.52 |
| Non-controlling interests | | - | 42.80 |
| | | **8,742.77** | **6,174.32** |
| **Earnings per equity share (face value per share ₹ 10 each)** | 49 | | |
| Basic | | 30.93 | 21.95 |
| Diluted | | 30.70 | 21.77 |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025





# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

## A EQUITY SHARE CAPITAL (REFER NOTE 23)

| | Balance as at 1 April 2024 | Changes in equity share capital during the year | Balance as at 31 March 2025 |
|---|---|---|---|
| | 2,712.17 | 4.85 | 2,717.02 |

| | Restated balance as at 1 April 2024 | Changes in equity share capital during the year | Balance as at 31 March 2024 |
|---|---|---|---|
| | 2,712.17 | 8.71 | 2,712.17 |

| | Balance as at 1 April 2023 | Changes in equity share capital due to prior period errors | Restated balance as at 1 April 2023 |
|---|---|---|---|
| | 2,703.46 | - | 2,703.46 |

## B OTHER EQUITY

| | Reserves and surplus | | | | | Items of other comprehensive income | | | Total equity attributable to owners of the Company | Non-controlling interests (Refer note 56) | 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 41.3) | Remeasurement of net defined benefit plan (Refer note 46) | | | |
| **Balance as at 1 April 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** |
| Profit for the year | - | - | 8,396.00 | - | - | - | - | - | 8,396.00 | - | 8,396.00 |
| Other comprehensive income/(loss) (net of tax) | - | - | - | - | - | 413.34 | (49.05) | (17.52) | 346.77 | - | 346.77 |
| **Total comprehensive income/(loss) for the year** | **-** | **-** | **8,396.00** | **-** | **-** | **413.34** | **(49.05)** | **(17.52)** | **8,742.77** | **-** | **8,742.77** |
| **Transactions with owners of the Company Contributions and distributions** | | | | | | | | | | | |
| Dividends (Refer note 23.8) | - | - | (1,927.51) | - | - | - | - | - | (1,927.51) | - | (1,927.51) |
| Accumulated surplus of employee welfare trust | - | - | 0.50 | - | - | - | - | - | 0.50 | - | 0.50 |
| Transfer to general reserve from share based payment reserve | - | 63.48 | - | (63.48) | - | - | - | - | - | - | - |
| Transfer to retained earnings from Special Economic Zone Re-investment reserve account | - | - | 130.05 | - | (130.05) | - | - | - | - | - | - |
| Share based compensation to employees (net) | - | - | - | 670.42 | - | - | - | - | 670.42 | - | 670.42 |
| **Total contributions and distributions** | **-** | **63.48** | **(1,796.96)** | **606.94** | **(130.05)** | **-** | **-** | **-** | **(1,256.59)** | **-** | **(1,256.59)** |
| **Changes in ownership interests** | | | | | | | | | | | |
| Effect on account of purchase of non-controlling interest without change in control | - | - | 171.09 | - | - | - | - | - | 171.09 | (171.09) | - |
| Others | 0.88 | - | - | - | - | - | - | - | 0.88 | - | 0.88 |
| **Total changes in ownership interests** | **0.88** | **-** | **171.09** | **-** | **-** | **-** | **-** | **-** | **171.97** | **(171.09)** | **0.88** |
| **Balance as at 31 March 2025** | **1,489.24** | **81.10** | **22,643.92** | **909.68** | **-** | **1,488.27** | **40.80** | **(248.45)** | **26,404.56** | **-** | **26,404.56** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont.)

(Amount in ₹ million)

| | Reserves and surplus | | | | | Items of other comprehensive income | | | Total equity attributable to owners of the Company | Non-controlling interests (Refer note 56) | 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 41.3) | Remeasurement of net defined benefit plan (Refer note 46) | | | |
| **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** |
| **Transactions with owners of the Company Contributions and distributions** | | | | | | | | | | | |
| Dividends (Refer note 23.8) | - | - | (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 compensation to employees (net) | - | - | - | 91.29 | - | - | - | - | 91.29 | - | 91.29 |
| **Total contributions and distributions** | **-** | **49.95** | **(1,278.76)** | **31.78** | **-** | **-** | **-** | **-** | **(1,197.03)** | **10.73** | **(1,186.30)** |
| **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** |

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 after tax of the Group as on the balance sheet date. This amount can be used to distribute dividend to equity shareholders.





# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont.)

(Amount in ₹ million)

### 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 47 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 is 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. On the disposal of a foreign operation, the cumulative amount of the foreign currency translation reserve which relates to that operation is reclassified from the foreign currency translation reserve to the Consolidated Statement of Profit and Loss as a part of the gain or loss on disposal.

### 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. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognised in this reserve is transferred to the Consolidated Statement of Profit and Loss.

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Priyamvada Hardikar**
Chief Financial Officer

**Kishor Patil**
CEO & Managing Director
DIN : 00076190

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025

# CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

| | | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| A | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit before tax | 11,325.47 | 8,004.39 |
| | **Adjustments for:** | | |
| | Depreciation and amortization expense | 2,249.60 | 1,957.93 |
| | Finance costs | 423.92 | 548.25 |
| | Interest income | (149.96) | (112.35) |
| | Dividend income | (0.24) | (1.78) |
| | Property, plant and equipments and other intangible assets written off | 1.06 | - |
| | Net (gain)/loss on disposal of property, plant and equipments and intangible assets | (208.13) | 7.13 |
| | Unrealised (gain)/loss on investment carried at fair value through profit and loss (net) | (35.88) | (32.94) |
| | Gain on changes in ownership interest in a subsidiary and a joint venture | (470.56) | - |
| | Realised (gain)/loss on investment carried at fair value through profit and loss (net) | (42.36) | (11.46) |
| | Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss | 86.34 | 36.85 |
| | Provision for doubtful debts and advances (net) | (130.74) | 129.80 |
| | Bad debts written off | 3.45 | 48.83 |
| | Share based compensation expenses | 671.73 | 91.65 |
| | Net unrealised foreign exchange loss/(gain) | 85.90 | (16.30) |
| | Share of profit/(loss) of joint venture and associate (net of tax) | (28.02) | 5.37 |
| | Gain on previously held interest in equity accounted investee | - | (136.95) |
| | Others | (3.94) | (0.89) |
| | **Operating profit before working capital changes** | **13,777.64** | **10,517.53** |
| | | | |
| | **Adjustments for changes in working capital:** | | |
| | Trade receivables | 767.14 | (1,802.99) |
| | Inventories | 55.63 | (314.99) |
| | Loans, other financials assets and other assets | (630.21) | (181.34) |
| | Trade payables | (594.72) | 747.25 |
| | Other financial liabilities, other liabilities and provisions | 2,568.73 | 2,423.11 |
| | **Cash generated from operations** | **15,944.21** | **11,388.57** |
| | Income taxes paid (net) | (2,048.94) | (1,370.90) |
| | **Net cash generated from operating activities (A)** | **13,895.27** | **10,017.67** |
| | | | |
| B | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Purchase of property, plant and equipment and intangible assets | (1,295.29) | (1,553.37) |
| | Proceeds from sale of property, plant and equipment | 21.98 | 4.46 |
| | Payments pursuant to acquisition of subsidiaries | (1,274.92) | (3,230.68) |
| | Payment for contractual obligation under acquisition agreement | (720.92) | (55.62) |
| | Investment in mutual fund | (7,997.50) | (4,216.00) |
| | Proceeds from sale of investment in mutual fund | 6,555.34 | 3,760.53 |
| | Proceed from sale of investments carried at fair value through profit and loss | 0.88 | 27.67 |
| | Investment in an associate | (279.96) | (271.20) |
| | Cash outflow pursuant to loss of control | (226.82) | - |





# CONSOLIDATED STATEMENT OF CASH FLOWS (Cont.)

(Amount in ₹ million)

| | | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| | Interest received | 100.96 | 52.88 |
| | Dividend received | - | 1.20 |
| | Amount placed in overseas money manager accounts and deposits | (18,656.11) | (26,840.58) |
| | Amount realized from overseas money manager accounts and deposits | 17,473.61 | 26,683.70 |
| | **Net cash used in investing activities (B)** | **(6,298.76)** | **(5,637.01)** |
| | | | |
| C | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Repayment of long term loan from banks* | (1.67) | (3.26) |
| | Payment of lease liabilities* | (914.77) | (779.00) |
| | Proceeds from working capital loan* | 1,429.27 | 4,527.93 |
| | Repayment of working capital loan* | (1,820.61) | (4,680.61) |
| | Proceeds from shares issued by Employee Welfare Trust | 5.35 | 17.05 |
| | Dividend paid | (1,927.51) | (1,287.10) |
| | Interest and finance charges paid | (194.42) | (194.84) |
| | **Net cash used in financing activities (C)** | **(3,424.36)** | **(2,399.83)** |
| | | | |
| | **Net increase in cash and cash equivalents (A + B + C)** | **4,172.15** | **1,980.83** |
| | Cash and cash equivalents at beginning of the year | 6,550.19 | 4,542.13 |
| | Exchange differences on translation of foreign currency cash and cash equivalents | 20.81 | 27.23 |
| | **Cash and cash equivalents at close of the year (Refer note 18)** | **10,743.15** | **6,550.19** |

***Reconciliation of liabilities from financing activities for the year ended 31 March 2025:**

| Particulars | Non-current borrowings (including related current portion) | Current borrowings | Leases (Refer note 50) |
|---|---|---|---|
| Balance at the start of the year | 2.26 | 445.10 | 2,840.16 |
| Add: Cash inflow (proceeds of working capital loans from banks) | - | 1429.27 | - |
| Less: Cash outflow (repayment of loans and payment of lease liabilities) | 1.67 | 1875.23 | 914.77 |
| Add: Non-cash changes (including effects of unrealised foreign exchange) | 0.00 | 15.61 | 1,507.94 |
| Closing balance at the end of the year | 0.59 | 14.75 | 3,433.33 |

# CONSOLIDATED STATEMENT OF CASH FLOWS (Cont.)

(Amount in ₹ million)

***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 50) |
|---|---|---|---|
| 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 |

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025





# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

## 1 CORPORATE INFORMATION

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 leapfrog towards a clean, smart, and safe future. With around 13,000 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, the USA, Japan, China, Thailand, Tunisia and India, KPIT works with leaders in automotive and mobility and is present where the ecosystem is transforming.

KPIT Technologies Limited ("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 presence across multiple geographies.

These consolidated financial statements comprise the Company and its subsidiaries (collectively with an employee welfare trust referred to as "the Group") along with the Group's interest in a joint venture and an associate. Information on the Group's structure, a joint venture and an associate is provided in note 43.

## 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 consolidated financial statements were authorised for issue by the Company's Board of Directors on 28 April 2025.

### 2.2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. These consolidated financial statements have been prepared on going concern basis under the historical cost convention and accrual basis, except for the following assets and liabilities, which are measured on an alternative basis at each reporting date:

i) Derivative financial instruments measured at fair value (Refer note 41).

ii) Contingent consideration measured at fair value (Refer note 41).

iii) Certain financial assets and liabilities measured at fair value (Refer note 41).

iv) Net defined benefit obligation which is valued at present value of defined benefit obligation less fair value of plan assets (Refer note 46).

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Present value is the present discounted value of the future net cash inflows that the asset is expected to generate or the present discounted value of the future net cash outflows that are expected to be required to settle the liabilities in the normal course of business.

b. 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.

c. These consolidated financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to nearest millions, upto two decimal places, unless otherwise indicated.

### 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

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 and judgements

**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.

The Group uses judgements while determining the transaction price to be allocated to performance obligations.

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 major tax jurisdictions includes India, the USA, Germany and Japan. 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**

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. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Group reviews carrying amount of deferred tax asset at end of each reporting period.

**iv. Business combinations**

Business combinations are accounted for using Ind-AS 103, Business Combinations. Ind-AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values. Significant judgements are also required in identification of intangibles assets separately from goodwill. These valuations are conducted by independent valuation experts.

**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.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

**vi. Defined benefit plan**

The cost of the defined benefit plan and the present value of the defined benefit obligation are determined based on actuarial valuation using Projected Unit Credit Method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary escalation, attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. These valuations are conducted by independent valuation experts.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

Information about assumptions and estimation uncertainties in respect of defined benefit obligation are included in note 46.

**vii. Share based payments**

The fair value of employee stock options is measured using the Black-Scholes options pricing model. Measurement variables include price of the underlying share in market at the time of the option grant, exercise price of the option, expected volatility, expected life of the option, dividend yield, and the risk free interest rate. Information about the determination of the fair value of equity-settled share-based options are included in note 47.

**viii. 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.

**ix. 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 applies judgement in determining the lease term as the non-cancellable period of a lease together with assessing whether or not to exercise an option to extend or terminate a lease, if it is reasonably certain to be exercised.

After the commencement date, 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.

The lease payments are discounted using the incremental borrowing rate, if interest rate implicit in the lease is not readily available. Estimations are done while determining the incremental borrowing rate.

**x. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, which involve various judgements and assumptions. Information about the valuation techniques and related disclosures are included in note 41.

**xi. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Group. Depreciation is charged on the straight-line method over the expected useful lives of the assets after deducting the expected residual value. The useful lives and residual values of Group's assets are determined at the time the asset is acquired and reviewed at the end of each financial year.

The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## 3 MATERIAL ACCOUNTING POLICIES

### 3.1 BASIS OF CONSOLIDATION

#### a. Business Combinations

i. Business combinations are accounted for using the acquisition method, when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. 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.

ii. 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, except for the following assets and liabilities which are measured at the basis indicated below:

- Deferred tax asset or liability is measured in accordance with Ind-AS 12, Income Taxes.
- An asset or a liability related to the acquiree's employee benefit arrangements

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

is measured in accordance with Ind-AS 19, Employee Benefits.

- A liability or an equity instrument related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the acquirer is measured in accordance with Ind-AS 102, Share-based Payment.

- Asset (or disposal group) that is classified as held for sale at the acquisition date is measured in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations.

iii. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred in the consolidated Statement of Profit and Loss except if related to the issue of debt or equity securities.

iv. 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 (OCI) and the same is accumulated as capital reserve in equity. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

v. If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition-date fair value and any resulting gain or loss, is recognised in the Consolidated Statement of Profit and Loss under profit or loss or other comprehensive income, as appropriate.

vi. 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.

vii. 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. Impact of any changes in the purchase consideration, after the measurement period, is recorded in the Consolidated Statement of Profit and Loss.

viii. Business combinations involving entities under common control is accounted for at carrying value using the pooling of interest method. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

### b. Subsidiaries

i. Subsidiaries are entities controlled by the Group. The Company consolidates all the entities over which it has control. The Group 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.

### c. Non-controlling interest

i. 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.

ii. 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.

### d. Loss of control

i. When the Group losses 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 Consolidated Statement of Profit and Loss.

### e. Equity-accounted investees

i. The Group's interests in equity accounted investees comprise interests in an associate and a joint venture.

ii. An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a type of joint arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

iii. The Group's investment in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the equity-accounted investees since the acquisition date. Goodwill relating to the equity-accounted investees is included in the carrying amount of the investment and is not tested for impairment individually. The net carrying value of investment in the equity-accounted investees is tested for impairment at each reporting date. This is impaired if and only if there is objective evidence of impairment.

iv. The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the equity-accounted investees. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of those investees, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees are eliminated to the extent of the interest in such investees.

v. The financial statements of the equity-accounted investees are prepared for the same reporting period as the Group using uniform accounting policies in line with the Group's accounting policies.

vi. When other party subscribe for the new shares issued by an equity-accounted investee, it results into dilution of the Group's interest in that investee. The resulting gain or loss on dilution of an interest in an equity-accounted investee is calculated as the difference between:

- the Group's ownership interest in the new assets received by the investee for the subscription of the new shares; and

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

- the reduction in ownership interest in the previous carrying amount.

## 3.2 CURRENT/NON-CURRENT CLASSIFICATION

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

### a. 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 Group'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.

### b. Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Group'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 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.

### c. 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.

## 3.3 FOREIGN CURRENCY

### a. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. The functional currency of foreign subsidiaries is the currency of their primary economic environment.

### b. Foreign currency transactions

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. 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. Foreign currency exchange differences on settlement or translation are recognised in the Consolidated Statement of Profit and Loss.

### 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





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 Consolidated 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.

## 3.4 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 transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### b. Subsequent measurement

#### i. Non-derivative financial instruments

**Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Group has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are 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 and hedge accounting

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.

The Group also enters into option contracts to purchase an additional stake in its investment in an associate company. Such derivatives are recognised in its balance sheet when the Group becomes party to contractual provisions of the instrument.

A contract to pay or receive a fixed amount on the occurrence or non-occurrence of a future event is considered to be 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.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

**Cash flow hedge**

The use of hedging instruments is governed by the Group's policy approved by the Board of Directors, which provides written principles on the use of such financial derivatives consistent with the Group's risk management strategy.

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitments and highly probable forecast transactions.

Such 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 these hedging instruments are recognised in other comprehensive income and accumulated in other equity under "Effective portion of cash flow hedges", while any ineffective portion is recognised immediately in the Consolidated 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 other equity 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 other equity is transferred to the Consolidated 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.

**Financial assets or financial liabilities, at fair value through profit or loss**

This category includes derivative financial assets or liabilities which are not designated as hedges.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the Consolidated 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 changes are recognised in the Consolidated Statement of Profit and Loss. 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.

**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 measures fair value using valuation techniques. 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 majorly 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.

## 3.5 PROPERTY, PLANT AND EQUIPMENT

**a. 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 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.

**b. 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.

**c. 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.

**d. 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 Consolidated Statement of Profit and Loss when the item is derecognised.

## 3.6 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.

**a. 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 Consolidated 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

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, 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 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 Consolidated 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.

**b. 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.

## 3.7 INTANGIBLE ASSETS

**a. 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 Consolidated Statement of Profit and Loss as incurred.

**b. 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.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 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.

**c. 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 Consolidated Statement of Profit and Loss when the asset is derecognised.

## 3.8 IMPAIRMENT

**a. Financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection.

The Group assesses at each reporting 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.

The Group uses the practical expedient by computing the expected credit loss allowance for trade receivables based on simplified provision matrix where customers are disaggregated based on their geographical location. The provision matrix takes into account historical credit loss experience adjusted for forward looking information.

The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL based on variety of external actual and forecast information.

The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**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 Consolidated Statement of Profit and Loss.

**ii. Goodwill**

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that are expected to

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

In the event of a reorganisation of its reporting structure that changes the composition of one or more CGUs to which goodwill has been allocated, the Group reallocates goodwill to the affected unit using the relative value approach.

CGU to which goodwill has been allocated is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a CGU 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 CGU is determined based on higher of value-in-use and fair value less cost to sell. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

## 3.9 INVENTORIES

Inventories which comprise raw materials, work-in-progress and finished goods, 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.

## 3.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### a. Provisions

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.

If the effect of the time value of money is material, 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. The unwinding of the discount is recognised as finance cost.

**i. Warranty provisions**

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.

**ii. Onerous contracts**

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.

### b. Contingent liability

Contingent liability is:

i. 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

ii. Present obligations that arise from past events but are not recognised because:

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

The Group does not recognise such obligations but 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.

### c. Contingent asset

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, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 3.11 TREASURY SHARES

The Company has created a KPIT Technologies Limited Employees Welfare Trust ("EWT") which acts as a vehicle for distributing shares to employees under the share-based payment arrangements to its employees. EWT purchases the Company's share from secondary market for issuance to the employees on exercise of the granted stock options. EWT is considered as an extension of the Company and the shares held by EWT are treated as treasury shares.

The treasury shares are recognised at the consideration paid including any directly attributable incremental cost and is presented as a deduction from equity, until they are sold or reissued. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on purchase, sale, issuance, or cancellation of treasury shares. When treasury shares are sold or reissued, 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.

## 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 (CODM). The CODM is responsible for assessing performance and reviewing the risks and rewards of the operating segments of the Company.

## 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.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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.

g. The Group presents revenues net of indirect tax in its Consolidated Statement of Profit and Loss.

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 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 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.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 investments carried at fair value through profit or loss, insurance claim 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.

### 3.16 BORROWING COSTS

Borrowing cost includes interest, other costs incurred in connection with the borrowing of funds and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period in which they are incurred.

### 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 Consolidated 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 Government administered provident fund scheme and Employee State Insurance Scheme in India; and other foreign contribution plans which are defined contribution plans. The Group's contribution is recognised as an expense in the Consolidated 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.

Accumulated absences expected to be utilised within twelve months is treated as short-term employee benefit. The Group measures the expected cost of such accumulated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Accumulated absences expected to be carried forward beyond twelve months is treated as long-

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

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 Consolidated 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 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 3.7.

## 3.19 SHARE BASED PAYMENTS

The Company operates equity settled share-based plans for the employees. Employee stock options granted are measured at fair value of stock options at the grant date using the Black and Scholes options pricing model. The Group recognises employee compensation expense, using such grant date fair value, on straight line basis over the vesting period, with a corresponding increase in equity (Share based payment reserve).

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 as measured at the date of modification. Where the grant of equity instruments is cancelled by the entity, the remaining fair value is recognised immediately in the Consolidated 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 on equity shares is recorded as a liability on approval by the shareholders and interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

## 3.21 INCOME TAXES

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the Consolidated 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.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

*for the year ended 31 March, 2025*

**Minimum Alternate Tax**

Minimum Alternate Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Consolidated 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 financial year, adjusted for treasury shares. 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 financial year as adjusted for treasury shares and 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 2025, MCA has notified amendements to Ind AS 116 - Leases in respect of sale and leaseback transactions and notified new standard Ind AS 117 - Insurance contracts. The Group does not expect these amendments to have any impact on its financial statements.

# 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 | Office Equipments | Total |
|---|---|---|---|---|---|---|---|
| **Gross carrying amount as at 1 April 2024** | **1,256.16** | **260.47** | **2,121.31** | **356.12** | **100.47** | **652.17** | **4,746.70** |
| Additions | 9.42 | 27.67 | 304.62 | 38.73 | 43.83 | 72.50 | 496.77 |
| Disposal/retirement/derecognition | 0.19 | 3.75 | 83.95 | 3.38 | 36.68 | 18.96 | 146.91 |
| Exchange difference on translation of foreign operations | - | 4.81 | 14.21 | 5.37 | 0.90 | 6.74 | 32.03 |
| **Gross carrying amount as at 31 March 2025** | **1,265.39** | **289.20** | **2,356.19** | **396.84** | **108.52** | **712.45** | **5,128.59** |
| **Accumulated depreciation as at 1 April 2024** | **192.65** | **175.32** | **1,353.44** | **193.33** | **44.79** | **391.90** | **2,351.43** |
| Depreciation for the year | 46.03 | 21.29 | 338.08 | 43.79 | 16.52 | 57.11 | 522.82 |
| Disposal/retirement/derecognition | 0.04 | 2.84 | 78.18 | 3.14 | 18.61 | 10.86 | 113.67 |
| Exchange difference on translation of foreign operations | - | 3.72 | 10.87 | 3.38 | 0.43 | 5.62 | 24.02 |
| **Accumulated depreciation as at 31 March 2025** | **238.64** | **197.49** | **1,624.21** | **237.36** | **43.13** | **443.77** | **2,784.60** |
| **Carrying amount as at 1 April 2024** | **1,063.51** | **85.15** | **767.87** | **162.79** | **55.68** | **260.27** | **2,395.27** |
| **Carrying amount as at 31 March 2025** | **1,026.75** | **91.71** | **731.98** | **159.48** | **65.39** | **268.68** | **2,343.99** |
| **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** |





# 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 2024** | **3,842.08** | **423.90** | **257.26** | **105.93** | **4,629.17** |
| Additions | 1,194.38 | - | 75.68 | 116.86 | 1,386.92 |
| Derecognition/adjustments | 559.87 | - | - | 17.64 | 577.51 |
| Exchange difference on translation of foreign operations | 67.65 | - | - | 2.04 | 69.69 |
| **Gross carrying amount as at 31 March 2025** | **4,544.24** | **423.90** | **332.94** | **207.19** | **5,508.27** |
| **Accumulated depreciation as at 1 April 2024** | **1,488.18** | **39.23** | **32.59** | **35.72** | **1,595.72** |
| Depreciation for the year | 693.63 | 4.64 | 73.57 | 55.12 | 826.96 |
| Derecognition/adjustments | 522.22 | - | - | 16.13 | 538.35 |
| Exchange difference on translation of foreign operations | 28.54 | - | - | 1.43 | 29.97 |
| **Accumulated depreciation as at 31 March 2025** | **1,688.13** | **43.87** | **106.16** | **76.14** | **1,914.30** |
| **Carrying amount as at 1 April 2024** | **2,353.90** | **384.67** | **224.67** | **70.21** | **3,033.45** |
| **Carrying amount as at 31 March 2025** | **2,856.11** | **380.03** | **226.78** | **131.05** | **3,593.97** |
| **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** |
| Additions on account of business combination | **-** | **-** | **-** | **-** | **-** |
| 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** |

## 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 2025** | | | | | |
| Projects in progress | 93.51 | - | - | - | 93.51 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **93.51** | **-** | **-** | **-** | **93.51** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| 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 | 5.16 | - | - | - | 5.16 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **5.16** | **-** | **-** | **-** | **5.16** |

**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.

## 7 GOODWILL

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Carrying amount at the beginning of the year | 11,463.25 | 10,102.57 |
| Additions on account of acquisition of Technica Group | - | (115.52) |
| Additions on account of acquisition of FMS Future Mobility Solutions GmbH (Refer note 53.2) | - | 1,391.69 |
| Exchange difference on translation | 265.83 | 84.51 |
| **Carrying amount at the end of the year** | **11,729.08** | **11,463.25** |

### ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS (CGU)

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that are expected to benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The carrying value of goodwill has been allocated to the underlying CGUs identified as follows:

| Goodwill on consolidation (Refer note i below) | 31 March 2025 | 31 March 2024 |
|---|---|---|
| KPIT Technologies GmbH | 2,449.96 | 239.97 |
| MicroFuzzy Industrie-Elektronic GmbH | - | 767.92 |
| KPIT Technologies Limited | 688.67 | - |
| PathPartner Technology Private Limited | - | 688.67 |
| FMS Future Mobility Solutions GmbH | - | 1,391.69 |
| KPIT Technologies (UK) Limited | 662.77 | - |
| SOMIT Solutions Limited | - | 630.16 |
| Technica Group (Refer note 53.1) | 7,927.68 | 7,744.84 |
| | **11,729.08** | **11,463.25** |

**Note:**

(i) During the current year, pursuant to business integration and merger activities, there is change in internal reporting structure at which the operating results are regularly reviewed to make resource allocation decisions and to monitor performance. Accordingly, the goodwill reallocation has been done as follows:

a. Goodwill reallocated from FMS Future Mobility Solutions GmbH to KPIT Technologies GmbH;

b. Goodwill reallocated from MicroFuzzy Industrie-Elektronic GmbH to KPIT Technologies GmbH;

c. Goodwill reallocated from PathPartner Technology Private Limited to KPIT Technologies Limited; and

d. Goodwill reallocated from SOMIT Solutions Limited to KPIT Technologies (UK) Limited.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

### IMPAIRMENT OF GOODWILL

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 2025 | 31 March 2024 |
|---|---|---|
| Growth rate | 9.50% to 16.00% | 10.00% to 18.00% |
| Terminal growth rate | 2.00% to 5.00% | 2.00% to 3.50% |
| Operating margins | 10.30% to 22.78% | 6.18% to 31.00% |
| Discount rate | 11.14% to 12.40% | 10.01% to 19.25% |

As at 31 March 2025 and 31 March 2024 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.

## 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 2024** | **620.51** | **2.50** | **1,856.57** | **2,243.63** | **4,723.21** |
| Additions | - | - | 651.26 | - | 651.26 |
| Disposal/retirement/derecognition/transfer | 67.56 | (2.46) | 360.28 | - | 425.38 |
| Exchange difference on translation of foreign operations | 2.84 | - | 0.07 | 51.88 | 54.79 |
| **Gross carrying amount as at 31 March 2025** | **555.79** | **4.96** | **2,147.62** | **2,295.51** | **5,003.88** |
| | | | | | |
| **Accumulated amortisation as at 1 April 2024** | **620.51** | **1.66** | **1,521.03** | **318.46** | **2,461.66** |
| Amortisation for the year | - | 1.23 | 650.88 | 247.71 | 899.82 |
| Disposal/retirement/derecognition/transfer | 67.56 | (0.99) | 356.29 | - | 422.86 |
| Exchange difference on translation of foreign operations | 2.84 | 0.01 | 0.56 | 11.52 | 14.93 |
| **Accumulated amortisation as at 31 March 2025** | **555.79** | **3.89** | **1,816.18** | **577.69** | **2,953.55** |
| | | | | | |
| **Carrying amount as at 1 April 2024** | **-** | **0.84** | **335.54** | **1,925.17** | **2,261.55** |
| **Carrying amount as at 31 March 2025** | **-** | **1.07** | **331.44** | **1,717.82** | **2,050.33** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| | Internally Generated | | Other than Internally Generated | | Total |
|---|---|---|---|---|---|
| | Product Development Cost | Technical know how | Softwares | Customer relationships | |
| **Gross carrying amount as at 1 April 2024** | **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** |

## 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 2025** | | | | | |
| Projects in progress | 1.54 | - | - | - | 1.54 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **1.54** | **-** | **-** | **-** | **1.54** |
| | | | | | |
| **As at 31 March 2024** | | | | | |
| Projects in progress | 575.55 | - | - | - | 575.55 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **575.55** | **-** | **-** | **-** | **575.55** |

**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 2025 | 31 March 2024 |
|---|---|---|
| **Investment in joint venture** | | |
| **FMS Future Mobility Solutions GmbH** | - | 252.22 |
| Previous year Nil equity shares of EUR 1 each fully paid up | | |
| Less: Effect of conversion to subsidiary pursuant to acquisition of balance stake (Refer note 53.2) | - | 252.22 |
| | - | - |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Qorix GmbH (Refer Note 55)** | 1,150.92 | - |
| 1,352,941 equity shares of EUR 1 each fully paid up | | |
| Add: Share of total comprehensive income | 84.66 | - |
| Add: Effect of dilution | 284.18 | - |
| | **1,519.76** | - |
| **Investment in associate** | | |
| N-Dream AG (Refer Note 54) | 81.38 | 86.75 |
| 114,218 (Previous year 50,598) equity shares of CHF 1 each fully paid up | | - |
| Add: Acquisition of additional stake | 279.96 | - |
| Add: Reclassification from derivative asset | 83.11 | - |
| Add: Share of total comprehensive income/(loss) | (27.12) | (5.37) |
| | **417.33** | **81.38** |
| | **1,937.09** | **81.38** |

## 11 NON CURRENT INVESTMENTS

*(Unquoted)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Investments in equity instruments measured at fair value through profit or loss** | | |
| Munchner bank<br>100 (Previous year 100) equity shares of EUR 50 each fully paid up | 0.46 | 0.45 |
| MCCIA Electronic Cluster Foundation<br>6 (Previous year 6) equity shares of INR 1,000 each fully paid up | 0.01 | 0.01 |
| | **0.47** | **0.46** |

**Note:**

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 41.

## 12 OTHER NON-CURRENT FINANCIAL ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Deposits with banks with remaining maturity of more than 12 months (Refer note i below) | 0.19 | 44.15 |
| Deposits with financial institutions with remaining maturity of more than 12 months | - | 221.00 |
| Earmarked balances with banks (towards leases) | 145.49 | 141.73 |
| Security deposits | 217.33 | 166.38 |
| Interest accrued on deposits | 0.01 | 26.48 |
| Derivative asset towards further stake acquisition in N-Dream (Refer note 54) | 1.83 | 98.17 |
| | **364.85** | **697.91** |

**Note:**

(i) It includes earmarked balance amounting to ₹ 0.19 million (Previous year ₹ 4.15 million) held as security towards overdraft facility.

(ii) Information about the Group's exposure to credit risk, liquidity risk and foreign currency risk is disclosed in note 41.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 13 DEFERRED TAX ASSETS (NET)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Deferred tax assets** | | |
| Property, plant and equipment and intangible assets | 51.34 | 141.97 |
| Provision for employee benefits | 264.04 | 172.07 |
| MAT credit entitlement | - | 186.54 |
| Provisions | 266.28 | 222.11 |
| Others | 250.37 | 187.03 |
| | **832.03** | **909.72** |
| **Deferred tax liabilities** | | |
| Property, plant and equipment and intangible assets | 12.48 | 67.55 |
| Forward contracts designated as cash flow hedges | 20.46 | 46.81 |
| Others | 16.35 | 7.43 |
| | **49.29** | **121.79** |
| **Net deferred tax asset** | **782.74** | **787.93** |

## 14 OTHER NON-CURRENT ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Capital advances | 7.81 | 11.61 |
| Prepaid expenses | 1.92 | 5.35 |
| | **9.73** | **16.96** |

## 15 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Raw materials | 526.09 | 511.72 |
| Work-in-progress | 79.99 | 98.44 |
| Finished goods | 240.78 | 292.33 |
| | **846.86** | **902.49** |

## 16 CURRENT INVESTMENTS

*(Quoted)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Investments measured at fair value through profit or loss** | | |
| Mutual fund units (Refer note i below) | 2,373.93 | 846.53 |
| Shares of Birlasoft Limited held by KPIT Employee Welfare Trust (Refer note 47.1) | 8.50 | 16.38 |
| | **2,382.43** | **862.91** |

**Note:**

(i) Details of investment in mutual fund units





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| Particulars | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan | 419,479.53 | 173.62 | - | - |
| Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan | - | - | 108,909.56 | 140.15 |
| Axis Liquid Fund - Regular Growth | 38,591.39 | 110.37 | - | - |
| Axis Overnight Fund Direct Growth | 33,513.05 | 45.28 | - | - |
| Bandhan Liquid Fund - Regular Plan - Growth | 5,644,912.15 | 223.27 | - | - |
| Bandhan Overnight Fund Regular Plan - Growth | - | - | 157,693.39 | 200.22 |
| DSP Liquidity Fund - Regular Plan - Growth | 61,424.93 | 225.26 | - | - |
| HDFC Liquid Fund - Direct Plan - Growth Option | 141,335.83 | 719.89 | 81,087.55 | 384.65 |
| HSBC Liquid Fund - Regular Growth | 43,094.23 | 110.37 | - | - |
| HSBC Overnight Fund - Direct Growth | 64,593.23 | 86.31 | - | - |
| ICICI Prudential Money Market Fund - Growth | 539,690.90 | 200.90 | - | - |
| Kotak Money Market Fund - Regular Growth | 57,590.80 | 253.74 | - | - |
| Mirae Asset Liquid Fund - Regular Plan Growth | - | - | 48,403.47 | 121.51 |
| Nippon India Liquid Fund - Growth Plan - Growth Option | 35,881.06 | 224.92 | - | - |
| **Total investment in mutual fund units** | | **2,373.93** | | **846.53** |

(ii) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 41.

## 17 TRADE RECEIVABLES

*(Unsecured)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Trade receivables - billed** | | |
| Trade receivables - considered good | 7,844.84 | 7,893.21 |
| Trade receivables which have significant increase in credit risk | - | 25.71 |
| Trade receivables - credit impaired | - | - |
| | 7,844.84 | 7,918.92 |
| Less: Allowances for bad and doubtful trade receivables | 297.25 | 429.45 |
| **Total trade receivables - billed** | **7,547.59** | **7,489.47** |
| **Trade receivables - unbilled** | **1,347.44** | **2,068.94** |
| | **8,895.03** | **9,558.41** |

**Trade receivables ageing schedule as at 31 March 2025**

| 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 | 6,236.31 | 1,367.55 | 149.39 | 68.15 | 22.91 | 0.53 | 7,844.84 |
| Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | - | - | - | - | - | - |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| 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 | - | - | - | - | - | - | - |
| | **6,236.31** | **1,367.55** | **149.39** | **68.15** | **22.91** | **0.53** | **7,844.84** |
| Less: Allowances for bad and doubtful trade receivables - billed | | | | | | | 297.25 |
| | | | | | | | 7,547.59 |
| Trade receivables - unbilled (considered good) (Refer note i below) | | | | | | | 1,347.44 |
| | | | | | | | **8,895.03** |

**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 (considered good) (Refer note i below) | | | | | | | 2,068.94 |
| | | | | | | | **9,558.41** |

**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 41.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 18 CASH AND CASH EQUIVALENTS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Cash on hand | 0.25 | 0.31 |
| **Balances with banks** | | |
| In current accounts | 6,934.89 | 3,531.28 |
| In deposit accounts with original maturity of 3 months or less (Refer note i below) | 3,808.01 | 3,018.60 |
| | **10,743.15** | **6,550.19** |

**Note:**

(i) It includes earmarked balance amounting to ₹ 56.01 million (Previous year ₹ 193.07 million) held under Escrow account.

(ii) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 41.

## 19 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Balances with banks** | | |
| In overseas money manager accounts | 1,488.63 | 879.64 |
| In unclaimed dividend accounts | 8.19 | 5.05 |
| In deposit accounts with original maturity of more than 3 months but less than 12 months (Refer note i below) | 440.81 | 270.44 |
| | **1,937.63** | **1,155.13** |

**Note:**

(i) It includes earmarked balance amounting to Nil (Previous year ₹ 4.29 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 41.

## 20 LOANS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Loan to employees | 3.48 | - |
| | **3.48** | **-** |

## 21 OTHER CURRENT FINANCIAL ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Deposits with banks with remaining maturity of less than 12 months (Refer note i below) | 193.24 | - |
| Deposits with financial institutions with remaining maturity of less than 12 months | 471.10 | - |
| Interest accrued on deposits | 73.17 | 15.19 |
| Security deposits | 82.70 | 51.14 |
| Forward contracts designated as cash flow hedges (Refer Note 41.3) | 58.56 | 133.96 |
| Receivable from related parties (Refer note 52) | 10.57 | - |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Derivative asset towards further stake acquisition in N-Dream (Refer note 54) | 38.49 | 81.06 |
| Health insurance premium recoverable from employees | 160.50 | 126.03 |
| Other receivables | 89.09 | 15.46 |
| | **1,177.42** | **422.84** |

**Note:**

(i) It includes earmarked balance amounting to ₹ 1.68 million (Previous year Nil) 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 41.

## 22 OTHER CURRENT ASSETS

*(Unsecured, considered good unless otherwise stated)*

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Advance to suppliers | 83.15 | 48.99 |
| **Employee advances** | | |
| Considered good | 112.10 | 104.91 |
| Considered doubtful | 13.67 | 10.15 |
| | **125.77** | **115.06** |
| Less: Provision for doubtful advances | 13.67 | 10.15 |
| | **112.10** | **104.91** |
| Balances with statutory authorities | 214.50 | 147.47 |
| Contract assets (Refer note 45) | 287.64 | 4.29 |
| Prepaid expenses | 417.54 | 406.85 |
| | **1,114.93** | **712.51** |

## 23 EQUITY SHARE CAPITAL

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **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: 2,441,439 (Previous year 2,926,924) Treasury shares held by KPIT Technologies Employees Welfare Trust | 24.42 | 29.27 |
| | **2,717.02** | **2,712.17** |

**23.1** 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.

**23.2** 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)

**23.3** 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Equity shares outstanding at the beginning of the year | 271,216,884 | 2,712.17 | 270,346,390 | 2,703.46 |
| Add : Shares issued on exercise of employee stock options | 485,485 | 4.85 | 870,494 | 8.71 |
| **Equity shares outstanding at the end of the year** | **271,702,369** | **2,717.02** | **271,216,884** | **2,712.17** |

**23.4** 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | 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% |

**23.5** Shareholding of promoters:

| Name of the promoter | 31 March 2025 | | 31 March 2024 | | Percentage change during the year ended on 31 March 2025 |
|---|---|---|---|---|---|
| | 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% | 2,419,084 | 0.88% | 0.00% |
| 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 | 15,000 | 0.01% | 20,000 | 0.01% | -25.00% |
| 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)

**23.6** 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).

**23.7** Refer note 47 for details relating to employee stock options.

**23.8 Dividend**

The Company declares and pays dividends in Indian rupees.

**Cash dividends on equity shares declared and paid:**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| 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 2024: ₹ 2.10 per share | | 569.47 |
| Final dividend for the year ended on 31 March 2024: ₹ 4.60 per share | 1,248.50 | |
| Interim dividend for the year ended on 31 March 2025: ₹ 2.50 per share | 679.01 | |
| **Total dividend paid** | **1,927.51** | **1,287.10** |

**Proposed dividend:**

The Board of Directors at its meeting held on 28 April 2025, has recommended a final dividend of ₹ 6.00 per equity share for the year ended 31 March 2025, which is subject to the approval of shareholders at the Annual General Meeting.

**23.9 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 2025 | 31 March 2024 |
|---|---|---|
| Equity Share capital | 2,717.02 | 2,712.17 |
| Other equity | 26,404.56 | 18,746.41 |
| **Equity attributable to owners of the Company (Equity)** | **29,121.58** | **21,458.58** |
| Long-term borrowings | - | 0.59 |
| Short-term borrowings and current maturities of long term borrowings | 15.34 | 446.77 |
| **Total borrowings (Debt)** | **15.34** | **447.36** |
| **Total capital (Equity + Debt)** | **29,136.92** | **21,905.94** |
| **Total borrowings as a percentage of total capital** | 0.05% | 2.04% |
| **Total equity as a percentage of total capital** | 99.95% | 97.96% |

As at 31 March 2025 and 31 March 2024, the Company has no externally imposed capital requirements.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 24 NON-CURRENT BORROWINGS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Term loans** | | |
| From banks (secured) (Refer note i below) | - | 0.59 |
| | **-** | **0.59** |

**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) Information about the Group's exposure to liquidity risk and market risk is disclosed in note 41.

## 25 OTHER NON-CURRENT FINANCIAL LIABILITIES

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Purchase consideration payable for:** | | |
| Technica Group (Refer note 53.1) | - | 1,546.77 |
| | **-** | **1,546.77** |

**Notes:**

(i) Information about the Group's exposure to liquidity risk is disclosed in note 41.

## 26 NON-CURRENT PROVISIONS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Compensated absences | 171.57 | 128.67 |
| Gratuity (Refer note 46) | 461.80 | 384.17 |
| | **633.37** | **512.84** |

## 27 DEFERRED TAX LIABILITIES (NET)

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Deferred tax liabilities** | | |
| Property, plant and equipment and intangible assets | 0.80 | 0.33 |
| Customer relationship | 600.28 | 672.73 |
| Others | 122.87 | 47.24 |
| | **723.95** | **720.30** |
| **Deferred tax assets** | | |
| Others | 31.94 | 24.58 |
| | **31.94** | **24.58** |
| **Net deferred tax liabilities** | **692.01** | **695.72** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 28 CURRENT BORROWINGS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Working capital loans** | | |
| From institution other than banks (unsecured) (Refer note i and ii below) | 14.75 | 445.10 |
| **Current maturities of long term borrowings (Refer note iii below)** | | |
| From banks (secured) | 0.59 | 1.67 |
| | **15.34** | **446.77** |

**Notes:**

(i) Working capital loan outstanding as on 31 March 2024 was from an institution other than banks which carried an interest rate of 3% p.a. above the base interest rate as per German Civil Code and was repayable on demand. During the current year, this loan has been fully repaid.

(ii) Working capital loan outstanding as on 31 March 2025 is from an institution other than banks which carries an interest rate of 4% p.a. and is repayable on demand.

(iii) Refer note 24 for the details of security and repayment terms.

(iv) Information about the Group's exposure to liquidity risk and market risk is disclosed in note 41.

## 29 TRADE PAYABLES

**Trade payables ageing schedule as at 31 March 2025**

| 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 | - | 19.28 | - | - | - | 19.28 |
| Others | 135.86 | 511.60 | 0.97 | 4.40 | 1.28 | 654.11 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| | **135.86** | **530.88** | **0.97** | **4.40** | **1.28** | **673.39** |
| Accrued expenses | | | | | | 1,108.93 |
| | | | | | | 1,782.32 |

**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 |

**Notes:**

(i) Information about the Group's exposure to liquidity risk is disclosed in note 41.

(ii) Information about the related party transaction is disclosed in note 52.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 30 OTHER CURRENT FINANCIAL LIABILITIES

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Purchase consideration payable for:** | | |
| SOMIT Solutions Limited | 188.26 | 176.15 |
| PathPartner Technology Private Limited | 59.53 | 780.45 |
| Technica Group (Refer note 53.1) | 1,443.21 | 1,088.48 |
| | | |
| Accrued employee costs | 1,266.20 | 1,096.04 |
| Unclaimed dividends | 8.18 | 3.97 |
| Capital creditors | 37.36 | 98.81 |
| Payable to related parties (Refer note 52) | 4.91 | - |
| Others | 28.09 | 28.15 |
| | **3,035.74** | **3,272.05** |

**Note:**

(i) Information about the Group's exposure to liquidity risk and market risk is disclosed in note 41.

## 31 OTHER CURRENT LIABILITIES

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Contract liabilities (Refer note 45) | 6,380.31 | 4,731.97 |
| Advance received from customers | 0.50 | 0.59 |
| Statutory liabilities | 2,125.79 | 1,595.95 |
| Advance from related parties (Refer note 52) | - | 2.40 |
| Others | 3.77 | 1.72 |
| | **8,510.37** | **6,332.63** |

## 32 CURRENT PROVISIONS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Compensated absences | 484.94 | 424.99 |
| Gratuity (Refer note 46) | 93.24 | 84.00 |
| **Other provisions** | | |
| Provision for onerous contracts | - | 0.34 |
| Provision for warranty (Refer note 51.1) | 293.13 | 261.90 |
| | **871.31** | **771.23** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 33 REVENUE FROM OPERATIONS

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Software services | 56,465.86 | 46,556.81 |
| **Sale of products** | | |
| Finished goods | 1,957.59 | 2,158.60 |
| | **58,423.45** | **48,715.41** |

**Note:**

(i) Refer note 45 for more disclosures on revenue from contracts with customers.

## 34 OTHER INCOME

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Interest income** | | |
| Interest income on financial assets carried at amortized cost | 149.57 | 98.68 |
| Other interest income (including interest on tax refunds) | 0.39 | 13.67 |
| **Dividend income** | | |
| Dividend income on quoted investments carried at fair value through profit and loss (Refer note i below) | 0.24 | 1.78 |
| **Other non-operating income (net of expenses directly attributable to such income)** | | |
| Net gain on disposal of property, plant and equipments and intangibles (Refer note 55) | 207.07 | - |
| Gain on changes in ownership interest in a subsidiary and a joint venture (Refer note 55) | 470.56 | - |
| Net foreign exchange gain | 82.98 | 167.72 |
| Net unrealised gain on investments carried at fair value through profit or loss (Refer note ii below) | 35.88 | 32.94 |
| Net realised gain on sale of investments carried at fair value through profit or loss | 42.79 | 11.67 |
| Miscellaneous income (Refer note iii and iv below) | 683.74 | 276.21 |
| | **1,673.22** | **602.67** |

**Notes:**

(i) This represents the dividend income of:

a. Nil (Previous year ₹ 1.20 million) from investment in mutual fund units;

b. ₹ 0.24 million (Previous year ₹ 0.58 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

(ii) This represents the unrealised gain on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual fund units.

(iii) This includes a one-time taxable gain of ₹ 450.00 million (Previous year Nil) on settlement of an insurance claim.

(iv) This includes sublease rental income of ₹ 16.46 million (Previous year Nil).





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 35 COST OF MATERIALS CONSUMED

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Inventory of raw materials at the beginning of the period | 511.72 | 333.08 |
| Add: Purchases | 502.01 | 898.60 |
| Less: Inventory of raw materials at the end of the period | 526.09 | 511.72 |
| | **487.64** | **719.96** |

## 36 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

| | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **Finished goods** | | |
| Inventories at the beginning of the year | 292.33 | 155.42 |
| Inventories at the end of the year | 240.78 | 292.33 |
| | **51.55** | **(136.91)** |
| **Work-in-progress** | | |
| Inventories at the beginning of the year | 98.44 | 99.00 |
| Inventories at the end of the year | 79.99 | 98.44 |
| | **18.45** | **0.56** |
| | **70.00** | **(136.35)** |

## 37 EMPLOYEE BENEFITS EXPENSE

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and incentives | 35,624.50 | 30,442.18 |
| Contribution to provident and other funds | 569.42 | 480.55 |
| Share based compensation to employees (Refer note 47) | 671.73 | 91.65 |
| Staff welfare expenses | 127.06 | 105.87 |
| | **36,992.71** | **31,120.25** |

## 38 FINANCE COSTS

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Finance cost on lease liabilities (Refer note 50) | 183.95 | 156.80 |
| Finance cost on financial liabilities measured at amortised cost | 179.21 | 273.93 |
| Finance cost on financial liabilities measured at fair value through profit or loss | 60.76 | 115.31 |
| Exchange differences regarded as an adjustment to finance costs | - | 2.21 |
| | **423.92** | **548.25** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 39 DEPRECIATION AND AMORTISATION EXPENSE

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Depreciation of property, plant and equipment (Refer note 4) | 522.82 | 469.67 |
| Depreciation of right-of-use assets (Refer note 5) | 826.96 | 677.31 |
| Amortisation of other intangible assets (Refer note 8) | 899.82 | 810.95 |
| | **2,249.60** | **1,957.93** |

## 40 OTHER EXPENSES

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Travel expenses (net) | 781.30 | 656.03 |
| Cost of service delivery (net) | 2,502.50 | 1,684.67 |
| Cost of professional sub-contracting (net) | 1,475.18 | 1,397.10 |
| Recruitment and training expenses | 295.67 | 261.76 |
| Power and fuel | 126.70 | 113.65 |
| Rent (Refer note 50) | 103.80 | 74.01 |
| Repairs and maintenance | 664.59 | 553.85 |
| Insurance | 259.56 | 195.28 |
| Rates & taxes | 104.89 | 62.64 |
| Communication expenses (net) | 150.61 | 142.19 |
| Legal and professional fees | 1,058.26 | 832.42 |
| Marketing expenses | 227.69 | 183.63 |
| Auditor's remuneration (net of taxes) | | |
| Audit fees | 9.09 | 7.84 |
| Limited review of quarterly results | 2.10 | 2.10 |
| Fees for other services | 0.95 | 0.95 |
| Out of pocket expenses reimbursed | 0.71 | 0.47 |
| Bad debts written off | 3.45 | 48.83 |
| Allowances for doubtful trade receivables and advances (net) | (130.74) | 129.80 |
| Provision for warranty (Refer note 51.1) | 29.30 | 77.46 |
| Expenditure on corporate social responsibility (Refer note ii below) | 79.09 | 53.09 |
| Net loss on fair valuation of earn outs and derivative assets carried at fair value through profit or loss | 86.34 | 36.85 |
| Miscellaneous expenses (net) | 744.31 | 583.66 |
| | **8,575.35** | **7,098.28** |

**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.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 41 FINANCIAL INSTRUMENTS

### 41.1 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value and fair value of financial instruments by categories as at 31 March 2025 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 | - | 2,382.90 | - | 2,382.90 | 2,382.90 |
| Trade receivables - billed | 7,547.59 | - | - | 7,547.59 | 7,547.59 |
| Trade receivables - unbilled | 1,347.44 | - | - | 1,347.44 | 1,347.44 |
| Cash and cash equivalents | 10,743.15 | - | - | 10,743.15 | 10,743.15 |
| Bank balances other than cash and cash equivalents above | 1,937.63 | - | - | 1,937.63 | 1,937.63 |
| Loans | 3.48 | - | - | 3.48 | 3.48 |
| Other financial assets | 1,443.39 | 40.32 | 58.56 | 1,542.27 | 1,542.27 |
| **Total financial assets** | **23,022.68** | **2,423.22** | **58.56** | **25,504.46** | **25,504.46** |
| | | | | | |
| **Financial liabilities** | | | | | |
| Borrowings | 15.34 | - | - | 15.34 | 15.34 |
| Trade payables | 1,782.32 | - | - | 1,782.32 | 1,782.32 |
| Lease liabilities | 3433.33 | - | - | 3,433.33 | 3,433.33 |
| Other financial liabilities | 1,428.55 | 1,607.19 | - | 3,035.74 | 3,035.74 |
| **Total financial liabilities** | **6,659.54** | **1,607.19** | **-** | **8,266.73** | **8,266.73** |

The carrying value and fair value of financial instruments by categories as at 31 March 2024 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 | - | 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** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 41.2 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 largely due to the short-term maturities of these instruments. 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 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 2025:

| Particulars | As at 31 March 2025 | Fair value measurement | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Financial assets** | | | | |
| Investment in equity instruments of other entities | 0.47 | - | - | 0.47 |
| Investment in Birlasoft Limited | 8.50 | 8.50 | - | - |
| Investment in mutual fund units | 2,373.93 | 2,373.93 | - | - |
| Forward contracts designated as cash flow hedge | 58.56 | - | 58.56 | - |
| Derivative asset towards further stake acquisition in N-Dream | 40.32 | - | - | 40.32 |
| | | | | |
| **Financial liabilities** | | | | |
| Contingent consideration payable | 1,607.19 | - | - | 1,607.19 |

The following table presents fair value hierarchy of 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 |





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 2025 | 31 March 2024 |
|---|---|---|
| **i) Unquoted investment in equity instruments of other entities** | | |
| Balance at the beginning of the year | 0.46 | 0.45 |
| Exchange difference on translation | 0.01 | 0.01 |
| **Balance at the end of the year** | **0.47** | **0.46** |
| **ii) Derivative asset towards further stake acquisition in N-Dream** | | |
| Balance at the beginning of the year | 179.23 | - |
| Additions during the year | - | 184.45 |
| Change in fair value of derivative asset | (60.43) | (5.46) |
| Settlement during the year | (83.11) | - |
| Exchange difference on translation | 4.63 | 0.24 |
| **Balance at the end of the year** | **40.32** | **179.23** |
| **iii) Contingent consideration payable** | | |
| Balance at the beginning of the year | 2,787.67 | 2,675.72 |
| Settlement during the year | (1,275.80) | - |
| Change in fair value of contingent consideration payable | 25.91 | - |
| Finance costs recognised in the Statement of Profit and Loss | 60.76 | 88.78 |
| Exchange difference on translation | 8.65 | 23.17 |
| **Balance at the end of the year** | **1,607.19** | **2,787.67** |
| **iv) Contractual obligation - towards acquisition of balance non-controlling stake** | | |
| Balance at the beginning of the year | - | 516.33 |
| Finance costs recognised in the Statement of Profit and Loss | - | 26.53 |
| Change in fair value of the financial instrument | - | 31.49 |
| Amount transferred to financial liabilities measured at amortised cost | - | (574.35) |
| **Balance at the end of the year** | **-** | **-** |

Significant techniques and unobservable inputs used for Level 2 and Level 3 fair valuation measurement

**As at 31 March 2025 and 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<br>b. Risk-adjusted discount rate | The estimated fair value would increase (decrease) if;<br>a. the expected cash flows were higher (lower); or<br>b. the risk-adjusted discount rate were lower (higher). |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 41.3 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. Credit risk includes the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to credit risk consists of trade receivables (including unbilled receivables), deposits with banks and financial institutions, investments, cash and cash equivalents, other balances with banks and other financial assets.

The Group's maximum exposure to its credit risk is primarily from trade receivables (including unbilled receivables).

**i Trade receivables (including unbilled 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.

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Trade receivables - billed | 7,547.59 | 7,489.47 |
| Trade receivables - unbilled | 1,347.44 | 2,068.94 |
| Contract assets | **287.64** | **4.29** |
| **Total** | **9,182.67** | **9,562.70** |

Movement in the allowance for impairment in respect of trade receivables:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 429.45 | 287.80 |
| Impairment during the year | - | 723.31 |
| Reversal of impairment on account of collection | (130.74) | (530.55) |
| Utilisation of allowance | - | (44.69) |
| Exchange difference on translation | (1.46) | (6.42) |
| **Balance at the end of the year** | **297.25** | **429.45** |

Refer note 17 for ageing of trade receivables.

**ii. Other financial assets**

The Group has limited credit risk on bank balances and deposits as they are held with banks and financial institutions which have high credit rating assigned by domestic and international credit rating agencies. Investments primarily includes investment in liquid mutual fund units. The Group mitigates the credit risk on these investments by investing in institutions with high credit rating.

**iii. Guarantees**

The Group's policy is to provide financial guarantees in routine course of business and on behalf of subsidiaries/joint ventures.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

### 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 2025 | 31 March 2024 |
|---|---|---|
| Cash and cash equivalents | 10,743.15 | 6,550.19 |
| Bank balances other than cash and cash equivalents above | 1,937.63 | 1,155.13 |
| Deposits with banks and financial institutions (including interest accrued) | 737.71 | 306.82 |
| Investment in mutual fund units | 2,373.93 | 846.53 |
| **Total** | **15,792.42** | **8,858.67** |

The following are the remaining contractual maturities of financial liabilities as at 31 March 2025:

| Particulars | Carrying value | Gross cash outflow | Upto 1 year | 2-3 years | 4-5 years | > 5 years |
|---|---|---|---|---|---|---|
| Borrowings | 15.34 | 15.35 | 15.35 | - | - | - |
| Trade payables | 1,782.32 | 1,782.32 | 1,782.32 | - | - | - |
| Other financial liabilities | 3,035.74 | 3,047.84 | 3,047.84 | - | - | - |

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 | - | - |

Refer note 50 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, Pound Sterling and Japanese Yen.

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

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2025:

| Particulars | US Dollars | Euros | Pound Sterling | Other currencies | Total |
|---|---|---|---|---|---|
| Trade receivables (including unbilled) | 16.46 | 100.02 | - | - | 116.48 |
| Other financial assets | - | 40.32 | - | - | 40.32 |
| Trade payables | (37.29) | (8.87) | (3.07) | (0.31) | (49.54) |
| Other financial liabilities | (0.02) | - | - | - | (0.02) |
| **Net assets/(liabilities)** | **(20.85)** | **131.47** | **(3.07)** | **(0.31)** | **107.24** |

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** |

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2025, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.01%/(0.01)%.

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)%.

**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:





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(Amount in ₹ million)

| Particulars | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Foreign Currency (million) | ₹ (million) | Foreign Currency (million) | ₹ (million) |
| EUR | 75.40 | 6,961.27 | 34.75 | 3,135.15 |
| USD | 66.25 | 5,669.77 | 66.80 | 5,569.12 |
| JPY | 10,486.00 | 5,950.81 | 2,980.00 | 1,641.68 |
| GBP | 16.75 | 1,854.88 | 11.03 | 1,161.35 |

The forward contracts have maturity between 30 days to 12 months from 31 March 2025.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 89.85 | (48.12) |
| Gain on changes in fair value of foreign exchange contracts recognised in other comprehensive income | 58.56 | 133.96 |
| Deferred tax on fair value of effective portion of cash flow hedges | 26.35 | (73.87) |
| Amounts reclassified to the Statement of Profit and Loss | (133.96) | 78.61 |
| Share of non-controlling interest | - | (0.73) |
| **Balance at the end of the year** | **40.80** | **89.85** |

**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. As at the reporting date, the Group does not have any investments, deposits and borrowings which are variable interest rate bearing instruments. As at the previous reporting date, the Group's exposure to the risk of changes in market interest rates was related 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 2025 | 31 March 2024 |
|---|---|---|
| **Variable rate instruments** | | |
| Financial liabilities | **-** | **445.10** |

**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.

## 42 SEGMENT INFORMATION

KPIT Technologies Limited provides embedded software for the Automobile and Mobility Industry. The customers in this vertical 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

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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.

## 42.1 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 2025 | | | | 31 March 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 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 | 16,302.68 | 29,134.78 | 30,039.75 | 75,477.21 | 15,441.19 | 26,381.36 | 22,846.89 | 64,669.44 |
| | Less: inter segment revenue | 227.53 | 1,380.47 | 15,445.76 | 17,053.76 | 563.27 | 888.67 | 14,502.09 | 15,954.03 |
| | Total segment revenue | **16,075.15** | **27,754.31** | **14,593.99** | **58,423.45** | **14,877.92** | **25,492.69** | **8,344.80** | **48,715.41** |
| **b)** | **Segment results** | 3,759.17 | 6,328.98 | 5,380.67 | 15,468.82 | 4,501.35 | 5,310.98 | 3,115.38 | 12,927.71 |
| | Finance cost | | | | (423.92) | | | | (548.25) |
| | Unallocated corporate expenses (net of unallocable income) | | | | (3,747.45) | | | | (4,369.70) |
| | Share of profit/(loss) of joint venture and associate (net of tax)" | | | | 28.02 | | | | (5.37) |
| | Profit before tax | | | | **11,325.47** | | | | **8,004.39** |
| | Tax expense | | | | (2,929.47) | | | | (2,019.26) |
| | Profit after tax | | | | **8,396.00** | | | | **5,985.13** |
| **c)** | **Allocated segment assets** | 2,780.33 | 4,516.86 | 1,885.48 | 9,182.67 | 2,697.84 | 5,333.26 | 1,531.60 | 9,562.70 |
| | Unallocated segment assets * | | | | 4,489.37 | | | | 5,237.53 |
| | Unallocated corporate assets | | | | 36,657.58 | | | | 26,878.73 |
| | Total assets | | | | **50,329.62** | | | | **41,678.96** |
| **d)** | **Allocated segment liabilities** | 251.07 | 4,546.01 | 1,583.73 | 6,380.81 | 213.41 | 3,619.69 | 899.46 | 4,732.56 |
| | Unallocated segment liabilities * | | | | 14,811.89 | | | | 14,869.37 |





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| | | 31 March 2025 | | | | 31 March 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Americas ₹ million | UK & Europe ₹ million | Rest of World ₹ million | Total ₹ million | Americas ₹ million | UK & Europe ₹ million | Rest of World ₹ million | Total ₹ million |
| | Unallocated corporate liabilities | | | | 15.34 | | | | 447.36 |
| | Total liabilities | | | | **21,208.04** | | | | **20,049.29** |
| e) | Cost incurred during the period to acquire segment non-current assets# | - | - | - | - | - | - | - | - |
| f) | Depreciation/ Amortisation# | | | | 2,249.60 | | | | 1,957.93 |
| | | | | | | | | | |
| 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.

## 42.2 ADDITIONAL SEGMENT INFORMATION OF INDIA (THE COMPANY'S COUNTRY OF DOMICILE)

| Particulars | | 31 March 2025 | 31 March 2024 |
|---|---|---|---|
| a) | Segment revenue from India (Revenue from external customers) | 26,616.68 | 21,333.98 |
| b) | Non-current assets (entirely located in India) (other than financial instruments and deferred tax assets) | 4021.46 | 3320.35 |

## 42.3 MAJOR CUSTOMER

Revenue from two customers, ₹ 18,614.52 million (Previous year ₹ 8,894.73 million from one customer), individually accounts for more than 10% of the Group's revenue.

# 43 DETAILS OF SUBSIDIARIES, A JOINT VENTURE AND AN ASSOCIATE

## 43.1 SUBSIDIARIES

### A. Direct subsidiaries

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 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 Holding Inc. | United States of America | 100 | 100 |
| 5 | KPIT Technologias Ltda.(ii) | Brazil | 100 | 100 |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 6 | PathPartner Technology Private Limited[iii] | India | 100 | 80 |
| 7 | KPIT Technologies GK[iv] | Japan | 100 | 100 |
| 8 | Qorix GmbH[v] | Germany | NA | 100 |

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

ii. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA

iii. As per the original Share Purchase Agreement, during the current year, the Company has acquired the balance shares in PathPartner Technology Private Limited.

iv. Includes KPIT Technologies GK Korea branch.

v. During the current year, Qorix GmbH has become joint venture company with effect from 27 June 2024.

### B. Indirect subsidiaries

| S. No. | Name of the subsidiary | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| | **Direct subsidiaries of KPIT Technologies (UK) Limited** | | | |
| 1 | KPIT Technologies GmbH, Germany[i] | Germany | 100 | 100 |
| 2 | KPIT Tech (Thailand) Co., Ltd.[ii] | Thailand | 100 | 100 |
| 3 | SOMIT Solutions Limited | United Kingdom | 100 | 100 |
| 4 | KPIT Technologies AB (w.e.f. 11 December 2024) | Sweden | 100 | NA |
| | **Direct subsidiary of KPIT Technologies Netherlands B.V.** | | | |
| 5 | KPIT Technologies S.A.S. | France | 100 | 100 |
| | **Direct subsidiary of KPIT Technologies Holding Inc.** | | | |
| 6 | KPIT Technologies Inc. | United States of America | 100 | 100 |
| | **Direct subsidiaries of PathPartner Technology Private Limited** | | | |
| 7 | PathPartner Technology Inc. | United States of America | 100 | 80 |
| 8 | PathPartner Technology GmbH[iii] | Germany | NA | 80 |
| | **Direct subsidiaries of KPIT Technologies GmbH** | | | |
| 9 | MicroFuzzy Industrie-Elektronic GmbH | Germany | 100 | 100 |
| 10 | Technica Engineering GmbH | Germany | 100 | 100 |
| 11 | Technica Electronics Barcelona S.L. | Spain | 100 | 100 |
| 12 | Technica Engineering Spain S.L. | Spain | 100 | 100 |
| 13 | KPIT Engineering Suarl (w.e.f. 4 December 2024) | Tunisia | 100 | NA |
| 14 | FMS Future Mobility Solutions GmbH[iv] | Germany | NA | 100 |
| | **Direct subsidiary of KPIT Technologies Inc.** | | | |
| 15 | Technica Engineering Inc. | United States of America | 100 | 100 |
| | **Direct subsidiary of SOMIT Solutions Limited** | | | |
| 16 | SOMIT Solutions Inc | United States of America | 100 | 100 |

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

iii. Liquidated on 2 October 2024.

iv. Merged with KPIT Technologies GmbH, Germany with the appointed date of 1 January 2024.





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### C. Employee benefit trusts

| S. No. | Name of the trust | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | KPIT Technologies Employees Welfare Trust | India | 100 | 100 |
| 2 | KPIT Technologies Limited Employees Group Gratuity Scheme | India | 100 | 100 |

## 43.2 JOINT VENTURE

| S. No. | Name of joint venture | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | Qorix GmbH[i] | Germany | 44.44 | NA |
| | **Wholly owned subsidiary of Qorix GmbH** | | | |
| 2 | Qorix India Private Limited[i] | India | 44.44 | NA |

i. The Company had 50% ownership with effect from 27 June 2024 upto 12 March 2025 and subsequently 44.44% ownership effective 13 March 2025. Refer note 55 for more information on investment in Qorix GmbH.

## 43.3 ASSOCIATE

| S. No. | Name of associate | Country of incorporation | % voting power held | |
|---|---|---|---|---|
| | | | 31 March 2025 | 31 March 2024 |
| 1 | N-Dream AG (w.e.f 14 December 2023) | Switzerland | 26.00 | 13.01 |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 44 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 2025

| 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 | 67.02% | 19,518.60 | 57.39% | 4,818.38 | -19.75% | (68.48) | 54.33% | 4,749.90 |
| **B** | **Subsidiaries** | | | | | | | | |
| **I** | **Indian:** | | | | | | | | |
| | PathPartner Technology Private Limited | 2.96% | 862.50 | 1.87% | 156.69 | 0.55% | 1.91 | 1.81% | 158.60 |
| **II** | **Foreign:** | | | | | | | | |
| 1 | KPIT Technologies (UK) Limited | 11.66% | 3,395.25 | 2.37% | 198.63 | 1.03% | 3.56 | 2.31% | 202.19 |
| 2 | KPIT Technologies Inc. | 8.08% | 2,352.53 | 1.48% | 124.32 | -0.69% | (2.40) | 1.39% | 121.92 |
| 3 | KPIT Technologies Holding Inc. | 5.03% | 1,464.27 | 0.05% | 4.54 | 0.01% | 0.02 | 0.05% | 4.56 |
| 4 | KPIT (Shanghai) Software Technology Co. Limited | 0.40% | 116.22 | -0.08% | (6.82) | 0.01% | 0.03 | -0.08% | (6.79) |
| 5 | KPIT Technologies Netherlands B.V | 2.02% | 587.05 | 0.76% | 63.93 | 0.19% | 0.65 | 0.74% | 64.58 |
| 6 | KPIT Technologies GK | 3.92% | 1,142.31 | 6.78% | 569.13 | 5.46% | 18.94 | 6.73% | 588.07 |
| 7 | KPIT Technologies GmbH | 29.85% | 8,692.21 | -11.71% | (983.38) | -3.86% | (13.39) | -11.40% | (996.77) |
| 8 | KPIT Technologias Ltda. | 0.44% | 129.25 | 0.08% | 6.47 | 0.05% | 0.17 | 0.08% | 6.64 |
| 9 | MicroFuzzy Industrie-Elektronic GmbH | 2.69% | 783.59 | 7.44% | 624.66 | 1.87% | 6.48 | 7.22% | 631.14 |
| 10 | KPIT Tech (Thailand) Co., Ltd. | 0.57% | 166.17 | 0.31% | 25.88 | 0.57% | 1.98 | 0.32% | 27.86 |
| 11 | SOMIT Solutions Limited | 0.20% | 59.12 | 0.01% | 1.13 | 0.04% | 0.15 | 0.01% | 1.28 |
| 12 | SOMIT Solutions Inc | 0.20% | 57.13 | -0.03% | (2.63) | -0.10% | (0.34) | -0.03% | (2.97) |
| 13 | KPIT Technologies S.A.S. | 0.28% | 80.36 | 0.76% | 63.45 | 0.30% | 1.04 | 0.74% | 64.49 |
| 14 | Technica Engineering GmbH | 11.39% | 3,316.94 | 24.99% | 2,098.42 | 9.07% | 31.44 | 24.36% | 2,129.86 |
| 15 | Technica Electronics Barcelona S.L. | 1.65% | 480.88 | 2.06% | 173.06 | 0.66% | 2.30 | 2.01% | 175.36 |
| 16 | Technica Engineering Spain S.L. | 0.28% | 82.34 | 0.60% | 50.52 | 0.22% | 0.78 | 0.59% | 51.30 |
| 17 | Technica Engineering Inc. | 0.07% | 19.25 | -0.62% | (52.07) | -0.15% | (0.53) | -0.60% | (52.60) |
| 18 | KPIT Engineering Suarl (w.e.f. 4 December 2024) | 0.19% | 54.56 | 0.63% | 52.88 | 0.23% | 0.80 | 0.61% | 53.68 |
| 19 | Qorix GmbH (upto 26 June 2024) | NA | NA | -0.63% | (52.50) | -0.09% | (0.31) | -0.60% | (52.81) |
| 20 | PathPartner Technology Inc. | 0.37% | 107.69 | 0.26% | 22.03 | 0.05% | 0.16 | 0.25% | 22.19 |



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) |
| 21 | KPIT Technologies AB (w.e.f. 11 December 2024) | 0.05% | 15.91 | -0.01% | (1.10) | -0.02% | (0.08) | -0.01% | (1.18) |
| 22 | PathPartner Technology GmbH (upto 2 October 2024) | NA | NA | 0.03% | 2.48 | 0.01% | 0.05 | 0.03% | 2.53 |
| | | | **23,965.53** | | **3,139.72** | | **53.41** | | **3,193.13** |
| **C** | **Equity-accounted investees** | | | | | | | | |
| 1 | N-Dream AG | NA | NA | -0.32% | (27.09) | -0.01% | (0.03) | -0.31% | (27.12) |
| 2 | Qorix GmbH (w.e.f 27 June 2024) | NA | NA | 0.66% | 55.11 | 0.16% | 0.54 | 0.64% | 55.65 |
| | | | **-** | | **28.02** | | **0.51** | | **28.53** |
| **D** | Non-Controlling Interest | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| **E** | Consolidation adjustments and intragroup eliminations | -49.32% | (14,362.55) | 4.88% | 409.88 | 104.20% | 361.33 | 8.82% | 771.21 |
| **F** | **Total (A+B+C+D+E)** | | **29,121.58** | | **8,396.00** | | **346.77** | | **8,742.77** |

### (B) 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 |

# 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) |
| 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) |
| 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% | 41.78 |
| | | | **19,549.26** | | **2,991.01** | | **(48.43)** | | **2,942.58** |
| **C** | **Equity-accounted investees** | | | | | | | | |
| 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 and intragroup eliminations | -65.24% | (14,111.13) | -5.16% | (308.59) | 74.49% | 140.93 | -2.04% | (167.66) |
| **F** | **Total (A+B+C+D+E)** | | **21,629.67** | | **5,985.13** | | **189.19** | | **6,174.32** |





# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 45 DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

### 45.1 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 42).

B Revenue disaggregation by contract type is as follows:

| Contract type | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Time & Material (T&M) and Cap T&M projects | 21,641.33 | 21,597.83 |
| Fixed price projects | 33,216.91 | 24,216.16 |
| License and AMC projects | 1,607.62 | 742.82 |
| Sale from manufacturing unit/ product sale | 1,957.59 | 2,158.60 |
| **Total** | **58,423.45** | **48,715.41** |

Invoices are payable within contractually agreed credit period.

### 45.2 RECONCILIATION OF REVENUE RECOGNISED WITH THE CONTRACTED PRICE

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Contracted price | 58,584.02 | 48,911.82 |
| Reductions towards variable consideration components | (160.57) | (196.41) |
| **Revenue recognised** | **58,423.45** | **48,715.41** |

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

### 45.3 MOVEMENT IN CONTRACT ASSETS (UNBILLED REVENUE)

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 4.29 | 39.24 |
| Invoicing during the year | (4.27) | (34.52) |
| Reversals during the year | - | (4.82) |
| Revenue recognised during the year | 289.97 | 4.28 |
| Translation difference | (2.35) | 0.11 |
| **Balance at the end of the year** | **287.64** | **4.29** |

### 45.4 MOVEMENT IN CONTRACT LIABILITIES (UNEARNED REVENUE)

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 4,731.97 | 2,600.86 |
| Addition on account of acquisition of subsidiary | - | 126.13 |
| Revenue recognised during the year | (3,980.92) | (2,362.51) |
| Invoiced during the period but not recognised as revenue | 5,499.98 | 4,389.80 |
| Translation difference | 129.28 | (22.31) |
| **Balance at the end of the year** | **6,380.31** | **4,731.97** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

### 45.5 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 2025, other than those meeting the exclusion criteria mentioned above, is ₹ 11,711.32 million. Out of this, the Group expects to recognize revenue of around 77% 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.

## 46 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 Group to actuarial risks, such as interest rate risk, salary risk, investment risk, asset liability matching risk and concentration 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 | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Present value of defined benefit obligation at the beginning of the year | 725.87 | 589.67 |
| Current service cost | 119.13 | 94.98 |
| Interest cost | 51.94 | 42.85 |
| Actuarial loss/(gain) recognised in other comprehensive income | | |
| a) changes in demographic assumptions | (21.37) | 1.72 |
| b) changes in financial assumptions | 21.59 | (4.28) |
| c) experience adjustments | 32.24 | 53.53 |
| Benefits paid | (81.47) | (52.60) |
| Present value of defined benefit obligation at the end of the year | 847.93 | 725.87 |

**Changes in the fair value of the plan assets representing reconciliation of opening and closing balances thereof are as follows :**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Fair value of plan assets at the beginning of the year | 257.70 | 227.41 |
| Interest Income | 18.28 | 16.24 |
| Employer contribution | 84.66 | 64.63 |
| Benefits paid | (72.93) | (52.60) |
| Return on plan assets, excluding interest income | 5.18 | 2.02 |
| Fair value of plan assets at the end of the year | 292.89 | 257.70 |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| Amount recognised in the Balance Sheet | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Present value of obligation as at the end of the year | 847.93 | 725.87 |
| Fair value of plan assets at the end of the year | 292.89 | 257.70 |
| Funded status ((surplus)/deficit) | 555.04 | 468.17 |
| Net (asset)/liability recognized in the Balance Sheet | 555.04 | 468.17 |

| Expenses recognised in the Statement of Profit and Loss | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Current service cost | 119.13 | 94.98 |
| Interest cost net of interest income on plan assets | 33.66 | 26.61 |
| Expenses recognised in the Statement of Profit and Loss | 152.79 | 121.59 |

| Expenses recognised in the Other Comprehensive Income (OCI) | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Actuarial loss/(gain) | 32.46 | 50.97 |
| Return on plan assets, excluding interest income | 5.18 | 2.02 |
| Net (income)/expense recognised in the OCI | 27.28 | 48.95 |

| Category of assets | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Insurance fund | 292.89 | 257.70 |

| Actuarial assumptions | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **For PathPartner Technology Private Limited** | | |
| Expected return on plan assets | 6.78% | 7.17% |
| Discount rate | 6.78% | 7.17% |
| Salary escalation | 5.00% | 12.00% |
| Attrition rate | 7.00% | 17.00% |
| **For KPIT Technologies Limited** | | |
| Expected return on plan assets | 6.78% | 7.19% |
| Discount rate | 6.78% | 7.19% |
| Salary escalation | 5.00% | 5.00% |
| Attrition rate | 7.00% | 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | Defined benefit obligation | | Defined benefit obligation | |
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1 % movement) | (63.77) | 74.35 | (30.45) | 33.66 |
| Future salary growth (1 % movement) | 74.29 | (64.94) | 33.63 | (30.98) |
| Attrition rate (1 % movement) | 4.80 | (6.31) | 0.14 | (0.50) |

Maturity profile of defined benefit plan:

| Projected benefits payable in future years from the date of reporting | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Within 1 year | 58.48 | 140.12 |
| 1-2 year | 58.93 | 86.60 |
| 2-3 year | 102.80 | 87.45 |
| 3-4 year | 94.21 | 85.23 |
| 4-5 year | 71.66 | 97.06 |
| 5-10 years | 318.07 | 288.66 |
| Thereafter | 1,032.45 | 295.77 |

Other details:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **For PathPartner Technology Private Limited** | | |
| Number of active members | 271 | 371 |
| Per month salary cost for all active members (₹ million) | 13.24 | 16.82 |
| Weighted average duration of the projected benefit obligation (years) | 10.00 | 6.00 |
| Average expected future service (years) | 11.00 | 5.00 |
| Projected benefit obligation (₹ million) | 38.76 | 47.75 |
| Prescribed contribution for next year (12 months) (₹ million) | 13.24 | 4.00 |
| **For KPIT Technologies Limited** | | |
| Number of active members | 9,862 | 9,457 |
| Per month salary cost for all active members (₹ million) | 391.13 | 353.45 |
| Weighted average duration of the projected benefit obligation (years) | 10.00 | 6.00 |
| Average expected future service (years) | 11.00 | 6.00 |
| Projected benefit obligation (₹ million) | 809.17 | 678.13 |
| Prescribed contribution for next year (12 months) (₹ million) | 80.00 | 80.00 |

## 47 SHARE BASED PAYMENTS

### 47.1 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:





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2025 are 10,000 and 10,000 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 2025 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 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | No. of options | Weighted average exercise price | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | NA | NA | 120,800 | 46.34 |
| Exercised during the year | NA | NA | 118,600 | 46.36 |
| Lapsed during the year | NA | NA | 2,200 | 44.96 |
| Options outstanding at the end of the year | NA | NA | - | - |
| Options exercisable at the end of the year | NA | NA | - | - |

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the previous year was ₹ 667.89.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

### 47.2 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 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

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | No. of options | Weighted average exercise price | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | 2,061,355 | 10.00 | 2,710,825 | 10.00 |
| Options granted during the year | 5,000 | 10.00 | 80,000 | 10.00 |
| Forfeited/surrendered during the year | 23,600 | 10.00 | 47,200 | 10.00 |
| Exercised during the year | 475,485 | 10.00 | 679,770 | 10.00 |
| Lapsed during the year | - | 10.00 | 2,500 | 10.00 |
| Options outstanding at the end of the year | 1,567,270 | 10.00 | 2,061,355 | 10.00 |
| Options exercisable at the end of the year | 1,451,870 | 10.00 | 1,776,380 | 10.00 |

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 1,538.74.

The weighted average remaining contractual life are as follows:

| Range of Exercise Price | FY 2024-25 | | FY 2023-24 | |
|---|---|---|---|---|
| | Weighted average contractual life (years) | No. of options outstanding | Weighted average contractual life (years) | No. of options outstanding |
| ₹ 0 to ₹ 50 | 3.15 | 1,567,270 | 4.09 | 2,061,355 |

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 2024-25 | FY 2023-24 |
|---|---|---|
| Exercise price (₹) | 10.00 | 10.00 |
| Weighted average price of the underlying share in market at the time of the option grant (₹) | 1,409.30 | 1,145.01 |
| Weighted average fair value of options granted (₹) | 1,381.68 | 1,123.94 |
| Expected life of the option (years) | 3.76 | 3.76 |
| Risk free interest rate (%) | 7.08 | 6.95 |
| Expected volatility (%) | 44.36 | 47.36 |
| Dividend yield (%) | 0.38 | 0.32 |

The Group recorded an employee compensation cost of ₹ 57.68 million (Previous year ₹ 91.65 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.

### 47.3 KPIT TECHNOLOGIES LIMITED - RESTRICTED STOCK UNIT PLAN 2022

The Board of Directors and the shareholders of the Company approved KPIT Technologies Limited - Restricted Stock Unit Plan 2022 (RSU 2022) at their meetings held on 25 July 2022 and on 24 August 2022, respectively. The Nomination and Remuneration (HR) Committee of the Board of Directors ("Committee") of the Company





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

administers this Plan. Each Restricted Stock Unit ("RSU") carries with it the right to purchase one equity share of the Company. The RSUs approved under this scheme are 4,112,157.

During the current year, RSUs under the said scheme have been granted to employees of the Company and its subsidiaries at an exercise price equivalent to the face value of the Company's shares as on the date of grant.

The RSUs 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 its grant or such period as may be decided by the Committee at the time of each grant. The exact proportion in which and the exact period over which the RSUs would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of RSUs. 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 2024-25 | |
|---|---|---|
| | No. of options | Weighted average exercise price |
| Options outstanding at the beginning of the year | - | NA |
| Options granted during the year | 838,550 | 10.00 |
| Forfeited/surrendered during the year | 13,200 | 10.00 |
| Options outstanding at the end of the year | 825,350 | 10.00 |
| Options exercisable at the end of the year | - | NA |

The weighted average remaining contractual life are as follows:

| Range of exercise price | FY 2024-25 | |
|---|---|---|
| | Weighted average contractual life (years) | No. of options outstanding |
| ₹ 0 to ₹ 50 | 6.19 | 825,350 |

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 2024-25 |
|---|---|
| Exercise price (₹) | 10.00 |
| Weighted average price of the underlying share in market at the time of the option grant (₹) | 1,414.29 |
| Weighted average fair value of options granted (₹) | 1,386.47 |
| Expected life of the option (years) | 3.76 |
| Risk free interest rate (%) | 7.06 |
| Expected volatility (%) | 44.27 |
| Dividend yield (%) | 0.38 |

The Group recorded an employee compensation cost of ₹ 614.05 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.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 48 INCOME TAXES

The income tax expense consists of following:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Tax expense** | | |
| Current tax | 3,093.13 | 2,379.01 |
| Deferred tax (benefit)/charge | (163.66) | (359.75) |
| **Total tax expense** | **2,929.47** | **2,019.26** |

The net charge relating to temporary differences during the year ended 31 March 2025 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 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Profit before tax | 11,325.47 | 8,004.39 |
| Indian statutory income tax rate | 34.94% | 34.94% |
| Expected income tax expense | 3,957.57 | 2,797.05 |
| **Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense** | | |
| Effect of income tax exemption/tax holiday | (973.48) | (676.19) |
| Effect relating to prior years | (17.04) | (1.64) |
| Effect of permanent adjustments | 64.32 | 122.17 |
| Effect of differential tax rates | (224.11) | (213.94) |
| Effect of unrecognised deferred tax assets | (55.68) | (37.14) |
| Others (net) | 177.89 | 28.95 |
| **Total income tax expense** | **2,929.47** | **2,019.26** |

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 ₹ 55.68 million (Previous year ₹ 37.14 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 2025:

| Particulars | Net deferred income tax (liability) / asset at the beginning as on 1 April 2024 | 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 2025 |
|---|---|---|---|---|---|---|
| **Deferred tax asset** | | | | | | |
| Property, plant and equipment and intangible assets | 141.97 | (61.62) | - | - | (29.01) | 51.34 |
| Provision for employee benefits | 172.07 | 82.21 | 9.76 | - | - | 264.04 |
| Provisions | 222.11 | 44.17 | - | - | - | 266.28 |
| Others | 211.61 | 59.25 | - | - | 11.45 | 282.31 |
| MAT credit entitlement | 186.54 | (18.00) | - | (168.54) | - | - |
| **Total deferred tax asset** | **934.30** | **106.01** | **9.76** | **(168.54)** | **(17.56)** | **863.97** |
| **Deferred tax liabilities** | | | | | | |
| Property, plant and equipment and intangible assets | 67.88 | (54.60) | - | - | - | 13.28 |
| Forward contracts designated as cash flow hedge | 46.81 | - | (26.35) | - | - | 20.46 |
| Customer relationship | 672.73 | (86.56) | - | - | 14.11 | 600.28 |
| Others | 54.67 | 83.51 | - | - | 1.04 | 139.22 |
| **Total deferred tax liability** | **842.09** | **(57.65)** | **(26.35)** | **-** | **15.15** | **773.24** |
| **Net deferred tax asset/ (liability)** | **92.21** | **163.66** | **36.11** | **(168.54)** | **(32.71)** | **90.73** |

*Others include net deferred income tax liability recognized on customer relationship and translation difference.

| Particulars | 31 March 2025 |
|---|---|
| Deferred tax asset (Refer note 13) | 782.74 |
| Deferred tax liabilities (Refer note 27) | 692.01 |
| **Net deferred tax asset/(liability)** | **90.73** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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.

| Particulars | 31 March 2024 |
|---|---|
| Deferred tax asset (Refer note 13) | 787.93 |
| Deferred tax liabilities (Refer note 27) | 695.72 |
| **Net deferred tax asset/(liability)** | **92.21** |

**Note:**

During the previous year, the Company had 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 was 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.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 49 BASIC AND DILUTED EARNINGS PER SHARE

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Face value per equity share (₹)** | **10.00** | **10.00** |
| Profit for the year attributable to owners of the Company (₹ million) | 8,396.00 | 5,945.33 |
| Weighted average number of equity shares outstanding | 271,477,627 | 270,893,910 |
| **Earnings per share – basic (₹)** | **30.93** | **21.95** |
| Weighted average number of equity shares outstanding | 271,477,627 | 270,893,910 |
| Add: Effect of dilutive potential equity shares on account of employee stock options | 2,018,273 | 2,246,952 |
| Weighted average number of diluted equity shares outstanding | 273,495,900 | 273,140,862 |
| **Earnings per share – diluted (₹)** | **30.70** | **21.77** |

## 50 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 2025 | 31 March 2024 |
|---|---|---|
| Non-current lease liabilities | 2,664.69 | 2,167.48 |
| Current lease liabilities | 768.64 | 672.68 |
| **Total** | **3,433.33** | **2,840.16** |

**C** **Movement in lease liabilities**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 2,840.16 | 2,373.16 |
| Additions during the year | 1,164.30 | 765.03 |
| Additions on account of business combination (Refer note 53) | - | 32.37 |
| Finance cost accrued on lease liabilities | 183.95 | 156.80 |
| Payment of lease liabilities | (914.77) | (779.00) |
| Termination/modification of leases | 117.79 | 283.66 |
| Translation difference | 41.90 | 8.14 |
| **Balance at the end of the year** | **3,433.33** | **2,840.16** |

**D** **Contractual maturity analysis of lease liabilities on an undiscounted cash flows basis**

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Not later than one year | 967.10 | 816.66 |
| Later than one year and not later than five years | 2,765.86 | 2,076.23 |
| Later than five years | 257.02 | 342.79 |
| **Total undiscounted lease liabilities** | **3,989.98** | **3,235.68** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 - ₹ 76.97 million (Previous Year ₹ 57.62 million).

b. Low value leases - ₹ 13.00 million (Previous Year ₹ 3.46 million).

GROUP AS A LESSOR

During the current year, the Group has subleased one of its leased premises. The Group has classified this lease as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

**A Maturity analysis of cashflows of operating lease on an undiscounted cash flows basis**

| Particulars | 31 March 2025 |
|---|---|
| Not later than 1 year | 3.63 |

## 51 DETAILS OF PROVISIONS AND MOVEMENTS IN EACH CLASS OF PROVISIONS AS REQUIRED BY THE IND-AS 37 ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### 51.1 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 2025 | 31 March 2024 |
|---|---|---|
| Carrying amount as at the beginning of the year | 261.90 | 184.32 |
| Additional provision made during the year | 29.30 | 77.46 |
| Exchange difference on translation | 1.93 | 0.12 |
| Carrying amount at the end of the year | 293.13 | 261.90 |

The expected period of utilisation of warranty provision cannot be reasonably estimated as at the reporting date.

### 51.2 CONTINGENT LIABILITIES

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Outstanding bank guarantees in routine course of business | 135.82 | 170.61 |
| 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 ₹ 0.46 million (Previous Year ₹ 0.19 million) | 23.15 | 3.85 |
| Income tax matters appealed by the Company* | 51.68 | 32.98 |

*excluding consequential interest and penalty, if any.

The Company has issued corporate guarantee on behalf of KPIT Technologies GmbH and KPIT Technologies Holding Inc. for an amount of ₹ 461.62 million and ₹ 256.74 million respectively. However, no borrowings availed by the subsidiaries as at the reporting date.





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

### 51.3 COMMITMENTS:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | | |
| a. Property, plant and equipment | 170.08 | 96.09 |
| b. Intangible assets | 13.11 | 18.99 |
| (ii) Leases not yet commenced to which the Company is committed (on an undiscounted cash flows basis) | 484.25 | 343.52 |

## 52 RELATED PARTY DISCLOSURES

52.1 Refer note 43 for the details of subsidiaries, a joint venture and an associate.

52.2 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 |
| | 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) |
| | Mr. Vijay Keshav Gokhale | Additional and Independent Director (w.e.f. 23 October 2024) |
| | Mr. Ramesh Raskar | Additional and Independent Director (w.e.f. 29 January 2025) |
| | Mr. Nishant Batra | Additional and Independent Director (w.e.f. 29 January 2025) |
| | Ms. Priyamvada Hardikar | Chief Financial Officer |
| | Mr. Ashish Malhotra | General Counsel & Company Secretary (w.e.f. 28 April 2025) |
| | Ms. Nida Deshpande | Company Secretary (upto 27 April 2025) |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 52.3 LIST OF OTHER RELATED PARTIES WITH WHOM THERE ARE TRANSACTIONS:

| | |
|---|---|
| Promoters | Mr. Ajay Bhagwat |
| | Mr. Ashwini Bhagwat |
| | Mr. Shrikrishna Patwardhan |
| Relatives of KMP | Mr. S.B.(Ravi) Pandit |
| | 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 |
| | Ms. Rupashree Sable |
| Enterprise over which KMP have significant influence | Proficient FinStock LLP |
| | Kirtane & Pandit LLP |
| | K & P Management Services Private Limited |
| | Sentient Labs LLP (formerly Sentient Labs Private Limited) |

## 52.4 TRANSACTION WITH RELATED PARTIES

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/ (Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/ (Credit) |
| **Transactions with Key Management Personnel and relative of Key Management Personnel [(i) & (ii)]** | | | | | |
| **1** | **Mr. S. B. (Ravi) Pandit** | | | | |
| | Dividend paid | 7.02 | Nil | 4.70 | Nil |
| | Commission paid[(iii)] | 14.60 | Nil | 10.39 | Nil |
| | Sitting fees | 0.61 | Nil | 0.55 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 1.02 | (2.73) | 0.14 | Nil |
| **2** | **Mr. Kishor Patil** | | | | |
| | Short term employee benefits | 28.57 | Nil | 24.01 | Nil |
| | Variable performance incentive[(iv)] | 36.96 | Nil | 38.94 | Nil |
| | Post employment benefits | 3.36 | Nil | 2.85 | Nil |
| | Dividend paid | 94.75 | Nil | 63.39 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 0.72 | (0.00)* | 1.04 | 0.08 |
| **3** | **Mr. Sachin Tikekar** | | | | |
| | Short term employee benefits | 27.27 | Nil | 23.41 | Nil |
| | Variable performance incentive[(iv)] | 32.29 | Nil | 33.72 | Nil |
| | Post employment benefits | 2.42 | Nil | 2.06 | Nil |
| | Dividend paid | 5.26 | Nil | 3.52 | Nil |
| | Perquisites | 0.66 | Nil | 0.53 | Nil |
| | Reimbursement of expenses (net) | 0.39 | Nil | 0.57 | 0.03 |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/ (Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/ (Credit) |
| **4** | **Mr. Anup Sable** | | | | |
| | Short term employee benefits | 12.36 | Nil | 12.17 | Nil |
| | Variable performance incentive[(iv)] | 4.97 | Nil | 3.83 | Nil |
| | Post employment benefits | 0.46 | Nil | 0.42 | Nil |
| | Share based compensation | 6.24 | Nil | 2.07 | Nil |
| | Dividend paid | 2.73 | Nil | 1.91 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Reimbursement of expenses (net) | 2.15 | (0.22) | 2.18 | 0.29 |
| **5** | **Mr. Chinmay Pandit** | | | | |
| | Short term employee benefits | 52.06 | Nil | 35.41 | Nil |
| | Variable performance incentive[(iv)] | 10.21 | Nil | 9.02 | Nil |
| | Post employment benefits | 0.25 | Nil | 0.50 | Nil |
| | Salary advance | Nil | Nil | 4.14 | Nil |
| | Recovery of salary advance | Nil | | 4.14 | |
| | Dividend paid | 0.27 | Nil | 0.18 | Nil |
| | Perquisites | 0.72 | Nil | 0.53 | Nil |
| | Reimbursement of expenses (net) | 1.08 | Nil | 0.41 | Nil |
| **6** | **Mr. Anant Talaulicar** | | | | |
| | Commission paid[(iii)] | 7.69 | Nil | 6.75 | Nil |
| | Sitting fees | 0.68 | Nil | 0.59 | Nil |
| **7** | **Mr. B V R Subbu** | | | | |
| | Commission paid[(iii)] | 4.21 | Nil | 3.97 | Nil |
| | Sitting fees | 0.44 | Nil | 0.43 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.02 | Nil |
| **8** | **Mr. Nickhil Jakatdar** | | | | |
| | Commission paid | 1.87 | Nil | 2.67 | Nil |
| | Sitting fees | Nil | Nil | 0.09 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 1.17 | Nil |
| **9** | **Prof. Alberto Sangiovanni Vincentelli** | | | | |
| | Commission paid[(iii)] | 5.51 | Nil | 4.91 | Nil |
| | Reimbursement of expenses (net) | 1.53 | Nil | 0.42 | Nil |
| | Sitting fees | 0.30 | Nil | 0.20 | Nil |
| **10** | **Ms. Bhavna Doshi** | | | | |
| | Sitting fees | 0.48 | Nil | 0.41 | Nil |
| | Commission paid[(iii)] | 4.57 | Nil | 3.80 | Nil |
| **11** | **Prof. Rajiv Lal** | | | | |
| | Sitting fees | 0.33 | Nil | 0.25 | Nil |
| | Commission paid[(iii)] | 4.45 | Nil | 3.97 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.01 | Nil |
| **12** | **Mr. Nishant Batra** | | | | |
| | Sitting fees | 0.06 | Nil | NA | NA |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/ (Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/ (Credit) |
| **13** | **Mr. Ramesh Raskar** | | | | |
| | Sitting fees | 0.06 | Nil | NA | NA |
| **14** | **Mr. Vijay Keshav Gokhale** | | | | |
| | Sitting fees | 0.09 | Nil | NA | NA |
| **15** | **Ms. Priyamvada Hardikar** | | | | |
| | Short term employee benefits | 15.67 | Nil | 14.88 | Nil |
| | Post employment benefits | 0.36 | Nil | 0.31 | Nil |
| | Share based compensation | 6.24 | Nil | 2.04 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| | Dividend paid | 0.51 | Nil | 0.34 | Nil |
| | Reimbursement of expenses (net) | 0.46 | Nil | 0.27 | (0.00)* |
| **16** | **Ms. Nida Deshpande** | | | | |
| | Short term employee benefits | 4.67 | Nil | 4.50 | Nil |
| | Post employment benefits | 0.19 | Nil | 0.17 | Nil |
| | Perquisites | 0.03 | Nil | 0.48 | Nil |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| | Reimbursement of expenses (net) | 0.00* | Nil | 0.01 | Nil |
| | Share based compensation | 1.18 | Nil | 0.01 | Nil |
| **17** | **Ms. Jayada Pandit** | | | | |
| | Short term employee benefits | 12.24 | Nil | 7.93 | Nil |
| | Post employment benefits | Nil | Nil | 0.03 | Nil |
| | Perquisites | 0.02 | Nil | 0.01 | Nil |
| | Advance | Nil | Nil | 0.35 | 0.35 |
| **18** | **Ms. Anupama Kishor Patil** | | | | |
| | Dividend paid | 0.83 | Nil | 0.55 | Nil |
| **19** | **Ms. Hemlata Shende** | | | | |
| | Dividend paid | 0.11 | Nil | 0.10 | Nil |
| **20** | **Ms. Manasi Patil** | | | | |
| | Short term employee benefits | 3.85 | Nil | 3.22 | Nil |
| | Post employment benefits | 0.11 | Nil | 0.10 | Nil |
| | Dividend paid | 0.02 | Nil | 0.01 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| **21** | **Ms. Nirmala Shashishekhar Pandit** | | | | |
| | Dividend paid | 1.70 | Nil | 1.14 | Nil |
| **22** | **Ms. Asha Khandkar** | | | | |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| **23** | **Mr. Ameya Mehendale** | | | | |
| | Dividend paid | 0.00* | Nil | 0.00* | Nil |
| **24** | **Ms. Rupashree Sable** | | | | |
| | Dividend paid | 0.01 | Nil | 0.01 | Nil |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/ (Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/ (Credit) |
| **25** | **Mr. Srinath Batni** | | | | |
| | Sitting fees | 0.41 | Nil | 0.16 | Nil |
| | Commission paid[iii] | 1.49 | Nil | Nil | Nil |
| | Dividend paid | 0.14 | Nil | Nil | Nil |
| **Transactions with promoters [i] & [ii]** | | | | | |
| **1** | **Mr. Ajay Bhagwat** | | | | |
| | Dividend paid | 17.18 | Nil | 11.49 | Nil |
| **2** | **Ms. Ashwini Bhagwat** | | | | |
| | Dividend paid | 0.31 | Nil | 0.21 | Nil |
| **3** | **Mr. Shrikrishna Patwardhan** | | | | |
| | Short term employee benefits | Nil | Nil | 0.56 | Nil |
| | Post employment benefits | Nil | Nil | 0.03 | Nil |
| | Reimbursement of expenses (net) | Nil | Nil | 0.19 | Nil |
| | Dividend paid | 7.81 | Nil | 5.23 | Nil |
| | Perquisites | 0.03 | Nil | 0.02 | Nil |
| **Transactions with enterprise over which Key Management Personnel have significant influence [i]** | | | | | |
| **1** | **Kirtane & Pandit LLP** | | | | |
| | Professional fees | 3.12 | Nil | 2.18 | (0.21) |
| **2** | **K & P Management Services Private Limited** | | | | |
| | Dividend paid | 2.14 | Nil | 1.43 | Nil |
| **3** | **Proficient FinStock LLP** | | | | |
| | Dividend paid | 630.92 | Nil | 422.09 | Nil |
| **4** | **Sentient Labs LLP (formerly Sentient Labs Private Limited)** | | | | |
| | Advance received (net) | Nil | Nil | 21.75 | (2.40) |
| | Reimbursement of professional fees | 6.11 | | 9.16 | |
| | Payment for non-lithium battery technology | 337.72 | Nil | Nil | Nil |
| | Sublease income | 0.06 | 0.07 | Nil | Nil |
| **Transactions with joint ventures/associate [i]** | | | | | |
| **1** | **N-Dream AG** | | | | |
| | Investment in equity (Refer note 54) | 215.28 | 417.33 | 86.75 | 81.38 |
| | Professional fees | 7.52 | Nil | Nil | Nil |
| | Sales | 6.49 | Nil | Nil | Nil |
| | Reimbursement of expenses (net) | 0.49 | Nil | Nil | Nil |
| **2** | **Qorix GmbH (w.e.f 27 June 2024)** | | | | |
| | Sales | 913.60 | 23.54 | NA | NA |
| | Software service charges | 734.26 | (12.48) | NA | NA |
| | Reimbursement of expenses (net) | (18.77) | 1.61 | NA | NA |
| | Loan repayment received | 175.42 | Nil | NA | NA |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| S. No. | Name of the related party | 31 March 2025 | | 31 March 2024 | |
|---|---|---|---|---|---|
| | | Amount of transactions during the year | Balance as on 31 March 2025 Debit/ (Credit) | Amount of transactions during the year | Balance as on 31 March 2024 Debit/ (Credit) |
| **3** | **Qorix India Private Limited** | | | | |
| | Support service charges | 50.87 | 66.12 | NA | NA |
| | Sublease income | 16.40 | 4.27 | NA | NA |
| | Reimbursement of expenses (net) | (7.55) | (0.29) | NA | NA |
| **Transactions with Employee benefit trust[(i)]** | | | | | |
| **1** | **KPIT Technologies Limited Employees Group Gratuity Scheme** | | | | |
| | Contribution to post employment benefit plan | 80.00 | 295.68 | 61.63 | 257.58 |

* 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.

iii. The commission paid to Non-Executive Directors pertains to the financial year 2023-24, which was determined and paid during the current financial year. The commission for the financial year 2024-25 will be paid after evaluation and approval by the Board of Directors.

iv. Includes variable performance incentive pertaining to Executive Directors, amounting to ₹ 45.22 million for the financial year 2023-24 (Previous year ₹ 47.43 million for the financial year 2022-23), determined and paid in the current financial year, based on the Group's policy for payment of variable performance incentive.

## 53 BUSINESS COMBINATIONS

### A. BUSINESS COMBINATIONS DURING THE CURRENT FINANCIAL YEAR (FY 2024-25)

In the current financial year, no new business acquisitions have been made by the Group. However, there has been a development regarding prior acquisition, which is as follows:

### 53.1 UPDATES ON ACQUISITION OF TECHNICA GROUP

Effective 1 October 2022, the Group had acquired the entire stake in Technica Group.

During the current year, the Group has acquired 100% stake in KPIT Engineering Suarl, Tunisia (KPIT Tunisia) through KPIT Technologies GmbH, a wholly owned step down subsidiary of the Company for a cash consideration of EUR 5.00 million.

KPIT Tunisia operates as a nearshore development center, primarily serving Technica GmbH, its sole customer. Also, the cash consideration for this acquisition is part of the total consideration of EUR 110.00 million as per the Share Purchase Agreement for Technica Group dated 21 September 2022 with the sellers. Therefore, there is no impact on:

i. The consolidated statement of profit and loss of the Group; and

ii. Previously recorded business acquisition accounting.

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"), Technica Engineering Inc, USA ("Technica USA") and KPIT Engineering Suarl, Tunisia ("KPIT Tunisia")





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

### B. BUSINESS COMBINATIONS DURING THE PREVIOUS FINANCIAL YEAR (FY 2023-24)

### 53.2 ACQUISITION OF FMS FUTURE MOBILITY SOLUTIONS GMBH

Effective 1 April 2023, the Group had 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 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** |
| **Liabilities** | |
| **Current liabilities** | |
| Financial liabilities | |
| Borrowings | 70.11 |
| Lease liabilities | 32.37 |
| Trade payables | 5.76 |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| Particulars | Amount in ₹ (million) |
|---|---|
| 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) During the previous year, the remeasurement to fair value of the Group's initial 25% interest in FMS resulted in a gain of ₹ 134.13 million. This gain was included in other income, in the Statement of Profit and Loss.

(ii) The above Goodwill was 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** |

**e.** From the date of acquisition till the year ended on 31 March 2024, the acquiree had contributed ₹ 788.63 million to revenue and ₹ 51.06 million to the profit before tax of the Group from continuing operations.

**f.** During the previous year, the acquisition related cost separately recognised in other expenses, in the Statement of Profit and Loss was ₹ 4.15 million.

**g.** During the current year, pursuant to appropriate approvals from respective regulatory authorities, FMS has been merged with its parent company, KPIT Technologies GmbH.

## 54 DISCLOSURE OF INTEREST IN AN ASSOCIATE

### INVESTMENT IN N-DREAM AG

During the previous year, the Company had 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.

During the previous year, the Company had 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. Pursuant to this, during the current year, the Company has acquired an additional 12.99% stake in N-Dream for a cash consideration of EUR 3.00 million. With this additional share purchase, total shareholding of the Company is 26.00% in N-Dream. The Company continues to hold non-controlling equity holding in N-Dream.

As at the initial investment date, the Company had recognised derivative asset for the same. The derivative asset was initially measured at fair value and correspondingly adjusted in the cost of investment amounting to ₹ 184.45 million. The fair value of derivative asset is ₹ 40.32 million and ₹ 179.23 million as at 31 March 2025 and 31 March 2024, respectively. Fair valuation impact of ₹ 60.43 million and ₹ 5.46 million is recognised in the Statement of Profit & Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

**Purchase price allocation (as at the acquisition date)**

Amount in ₹ (million)

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Cumulative percentage holding in N-dream | 26.00% | 13.01% |
| Purchase consideration after adjusting derivative asset | 449.81 | 86.75 |
| Less : Fair value of identifiable net assets acquired | 64.79 | 26.86 |
| Less : Customer relationships | 62.74 | 5.88 |
| Less : Technology | 15.95 | - |
| **Goodwill arising on investment in an associate** | **306.33** | **54.01** |

The Group has no material associate for the disclosures as per Ind-AS 112.

## 55 DISCLOSURE OF INTEREST IN JOINT ARRANGEMENT

During the financial year 2022-23, KPIT Technologies Limited ("KPIT") had incorporated an wholly owned subsidiary, Qorix GmbH. KPIT had entered into a definitive Joint Venture Agreement wherein post regulatory approvals, ZF Friedrichshafen AG ("ZF") would invest into Qorix GmbH to make it an independent company focused on the creation of worldclass automotive middleware stack.

During the current year, ZF has invested EUR 1.35 million in Qorix GmbH, based on definitive terms of the Joint Venture Agreement entered into by KPIT and ZF. Consequently, Qorix GmbH had become a Joint Venture Company of KPIT and ZF having 50:50 ownership. ZF has further invested EUR 13.65 million till date and assigned its relevant IP into Qorix GmbH.

Qorix GmbH being a Joint Venture Company, KPIT does not have majority control in Qorix and thereby, as per the provisions of the applicable Ind-AS, has during the current year:

a. derecognised the assets and liabilities of Qorix GmbH and recognised the resulting one-time gain of ₹ 199.07 million under "Other income" in the consolidated statement of profit and loss account;

b. recognised a one-time gain of ₹ 197.22 million on transfer of IPs to Qorix GmbH under "Other income" in the consolidated statement of profit and loss account, along with the related tax expense of ₹ 68.92 million under "Tax expense".

On 13 May 2024, Qorix GmbH has incorporated a wholly owned step-down subsidiary named "Qorix India Private Limited".

Subsequently, Qualcomm Ventures LLC ("Qualcomm") joins as a strategic minority shareholder in Qorix GmbH with KPIT and ZF as significant shareholders. This partnership further strengthen the position of Qorix GmbH as a leading

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

provider of middleware solutions for Software-Defined Vehicles (SDVs). Pursuant to this, Qualcomm has invested an amount of EUR 10.00 million, through an equity infusion, for a stake of 11.11% in Qorix GmbH. Accordingly, KPIT has

a. recognised a one-time "Gain on dilution" of ₹ 271.49 million under "Other income" in the Consolidated Statement of Profit and Loss account;

b. recognised a one-time gain on transfer of IPs, of ₹ 12.70 million, to Qorix GmbH under "Other income" in the Consolidated Statement of Profit and Loss account.

As per Ind AS 28 - Investments in Associates and Joint Ventures, equity method is followed for measuring the investment in joint venture at each reporting dates.

**A. Proportion of equity interest held in joint venture**

| Name of the joint venture | Country of incorporation and operation | 31 March 2025 |
|---|---|---|
| Qorix GmbH | Germany | 44.44% |

**B. Summarised consolidated balance sheet**

| Particulars | 31 March 2025 |
|---|---|
| Non-current assets | 2,901.34 |
| Cash and cash equivalents | 1,637.57 |
| Current assets (excluding cash and cash equivalents) | 74.01 |
| **Total** | **4,612.92** |
| Non-current liabilities | 35.99 |
| Trade payables | 177.25 |
| Current liabilities (excluding trade payables) | 171.30 |
| **Total** | **384.54** |
| **Net assets of the joint venture** | **4,228.38** |
| Proportion of the Group's interest in joint venture | 1,879.09 |
| Other consolidation adjustments | (359.33) |
| Carrying amount of the Group's interest in joint venture | 1,519.76 |

**C. Summarised consolidated Statement of Profit and Loss**

| Particulars | 31 March 2025 |
|---|---|
| Revenue | 745.81 |
| Other income | 7.58 |
| **Total income** | **753.39** |
| Employee benefits expense | 225.48 |
| Depreciation and amortization | 233.13 |
| Other expenses | 269.74 |
| **Total expenses** | **728.35** |
| **Profit before tax** | **25.04** |
| Total tax expense | 22.83 |
| **Profit for the period** | **2.21** |
| Total other comprehensive income | 1.09 |
| **Total comprehensive income for the period** | **3.30** |
| **Total comprehensive income attributable to the Group** | **1.65** |
| Elimination of unrealised profit on downstream sales | 83.01 |
| **Group's share of total comprehensive income** | **84.66** |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

## 56 DISCLOSURE OF FINANCIAL INFORMATION OF SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST

Effective 1 April 2024, as per the original Share Purchase Agreement, the Company has purchased non-controlling interest without change in control.

The interest that non-controlling interest had in the Group's activities and cash flows during the previous year is as follows:

**A. Proportion of equity interest held by non-controlling interest**

| Name of the subsidiary | Country of incorporation and operation | 31 March 2025 | 31 March 2024 |
|---|---|---|---|
| PathPartner Technology Private Limited (PathPartner) | India | 0.00% | 20.00% |

**B. Details of non-controlling interest**

| Particulars | 31 March 2024 |
|---|---|
| Accumulated balance of non-controlling interest | 171.09 |

**C. Summarised balance sheet** (*before inter-company eliminations*)

| Particulars | 31 March 2024 |
|---|---|
| Non-current assets | 273.11 |
| Cash and cash equivalents | 36.09 |
| Current assets (excluding cash and cash equivalents) | 724.65 |
| **Total** | **1,033.85** |
| Non-current liabilities | 166.89 |
| Trade payables | 21.03 |
| Current liabilities (excluding trade payables) | 142.03 |
| **Total** | **329.95** |
| **Total equity** | **703.90** |
| **Attributable to:** | |
| Owners of the Group | 551.56 |
| Non-controlling interest | 152.34 |

**D. Summarised Statement of Profit and Loss** (*before inter-company eliminations*)

| Particulars | For the year ended 31 March 2024 |
|---|---|
| Revenue | 1,167.96 |
| Other income | 17.80 |
| **Total income** | **1,185.76** |
| Employee benefits expense | 753.09 |
| Finance costs | 14.40 |
| Depreciation and amortization | 49.95 |
| Other expenses | 91.18 |
| **Total expenses** | **908.62** |
| **Profit before tax** | **277.14** |

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

| Particulars | For the year ended 31 March 2024 |
|---|---|
| Current tax | 75.07 |
| Deferred tax | (1.21) |
| **Total tax expense** | **73.86** |
| **Profit for the year** | **203.28** |
| Total other comprehensive income/(loss) | 14.69 |
| **Total comprehensive income for the year** | **217.97** |
| Profit for the year allocated to non-controlling interest | 40.66 |
| Other comprehensive income/(loss) allocated to non-controlling interest | 2.94 |

**E. Summarised cash flow information** (*before inter-company eliminations*)

| Particulars | For the year ended 31 March 2024 |
|---|---|
| Cash flow from: | |
| Operating activities | 410.50 |
| Investing activities | (343.48) |
| Financing activities | (37.09) |
| **Net increase/(decrease) in cash and cash equivalents** | **29.93** |

**57** 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.

**58** The proposed amalgamation of PathPartner Technology Private Limited ("the Transferor Company"), with KPIT Technologies Limited ("the Transferee Company"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, has been approved by the Board of Directors of the Transferor Company at its meeting held on 25 April 2025 and by the Board of Directors of the Transferee Company at its meeting held on 28 April 2025. This is subject to approval of the National Company Law Tribunal.

The proposed amalgamation aims to simplify the group structure, drive synergies, and enhance stakeholder value through consolidated operations and unified financial strength.

**59 DISCLOSURE UNDER RULE 11(E) AND 11(F) OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014**

FOR THE YEAR ENDED 31 MARCH 2025

| S. No. | Name of the intermediary | Date | Amount (₹ million) | Use of funds |
|---|---|---|---|---|
| 1 | KPIT Technologies GmbH | 24 September 2024 | 925.00 | Settlement of deferred consideration towards Technica Group. |





NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 | |

**60 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 59) 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 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 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.

**61** The Holding Company and its subsidiary incorporated in India 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) 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 for the period from 1 April 2024 to 9 May 2024.

(ii) In case of the Holding Company and its subsidiary company incorpotated in India, the feature of recording audit trail (edit log) facility was not enabled for certain fields and a table at the application layer of the accounting

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

software used for maintaining books of accounts relating to Revenue and Receivables and Payroll for the period from 1 April 2024 to 24 April 2024.

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 2025 and have no impact on the Financial Statements of the Company.

**62** 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 2024-2025.

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**

**Shiraz Vastani**
Partner
Membership No. 103334

Place: Pune
Date: 28 April 2025

**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

**Ashish Malhotra**
Company Secretary

Place: Pune
Date: 28 April 2025





# NOTICE

**NOTICE** is hereby given that the 8th Annual General Meeting ("AGM") of KPIT Technologies Limited will be held on Tuesday, August 12, 2025, 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 Standalone Financial Statements for the Financial Year ended March 31, 2025, together with the reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the Financial Year ended March 31, 2025, together with the report of the Auditors thereon.
3. To declare a final dividend for the Financial Year ended March 31, 2025.

   [The Board has recommended final dividend of ₹ 6/- per equity share of ₹ 10/- each (at 60%) in addition to the interim dividend paid at ₹ 2.50/- per equity share of ₹ 10/- each (at 25%)]
4. To appoint a Director in place of Mr. Anup Sable (DIN: 00940115), who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Chinmay Pandit (DIN: 07109290), 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 an ORDINARY RESOLUTION:**

   **Appointment of Dr. K. R. Chandratre, a Company Secretary in Whole-time Practice, as a Secretarial Auditor of the Company for a consecutive period of five years, from April 1, 2025 to March 31, 2030.**

   RESOLVED THAT pursuant to the provisions of Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Circulars issued thereunder from time to time and Section 204 and other applicable provisions of the Companies Act, 2013, ("the Act"), if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded for appointment of Dr. K. R. Chandratre, a Company Secretary in Whole-time Practice, holding membership of the Institute of Company Secretaries of India (Membership No. FCS 1370) and Certificate of Practice No. 5144 & Peer Review Certificate No. 1206/2021 as the Secretarial Auditor of the Company for a consecutive period of five years from April 1, 2025 to March 31, 2030, at such remuneration and scope of work, as may be mutually agreed by the Board of Directors in consultation with the Secretarial Auditor from time to time.

   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 including filing the requisite forms or submitting documents with any authority as may be necessary or desirable to give effect to this resolution."

By Order of the Board of Directors
For KPIT Technologies Limited

Ashish Malhotra
General Counsel & Company Secretary
Membership No.: A18393

Pune
April 28, 2025

## 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 8th Annual General Meeting ("Meeting/AGM") is annexed hereto.
2. The relevant details, pursuant to Regulation 36(3) and 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment or reappointment and appointment of Secretarial Auditor at this AGM are annexed.
3. Ministry of Corporate Affairs (MCA), vide General Circular No. 09/2024 dated September 19, 2024 ("MCA circular") & the Securities and Exchange Board of India vide circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 ("SEBI circular") have allowed the Companies to conduct AGM through VC/OAVM on or before September 30, 2025, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circular & SEBI Circular, the AGM of the Company is being held through VC/OAVM. The transcript of the AGM proceedings will 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, therefore, 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 Listing 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 at the AGM through VC/OAVM 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 their 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/OAVM.

9. The Company has fixed **Monday, July 28, 2025,** as the **Record Date** for determining entitlement of Members to final dividend for the Financial Year ended March 31, 2025, if approved at the AGM.

10. The Company has fixed **Tuesday, August 5, 2025,** 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, 2025.

11. The e-voting period commences on **Thursday, August 7, 2025, (09:00 a.m. IST) and ends on Monday, August 11, 2025, (5:00 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 5, 2025,** 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 the Member 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 5, 2025.**

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 or she is already registered with NSDL for remote e-voting then he or she can use his or her existing user ID and password for casting the vote.

14. In light of the MCA Circulars, the Notice of the AGM along with the Annual Report 2024-25 are 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 sustainability by choosing to receive the Company's communication through email. Pursuant to the provisions of Regulation 36 of SEBI Listing Regulations, a letter providing the web-link, including the exact path, where complete details of the Annual Report are available, is being sent to those shareholders who have not registered their email addresses.

15. 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 ("DPs"), 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 2024-25 in electronic mode.

16. In terms of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form, hence the shareholders are advised to dematerialize the shares held by them in physical form.

17. 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 not to 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.





18. Members may also note that the Notice and Annual Report 2024-25 will also be available on the Company's website https://www.kpit.com/investor-financials/ 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.

19. Members desirous of obtaining any information concerning the accounts, operations, and business of the Company are requested to address their queries to the Chief Investor Relation Officer 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 12, 2025,** to enable the Company to make available the required information at the meeting, to the extent possible.

20. SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) read with circular dated June 10, 2024, 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. The Company has been sending 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. Further, the relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf

21. SEBI has made it mandatory to distribute dividends through electronic mode such as RTGS/NEFT/NACH. Members holding shares in demat form are requested to notify the 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.

22. 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 KFin.

23. 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.

24. 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/.

25. 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 or she or 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/.

26. 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 in 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.

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 12, 2025. Members seeking to inspect such documents may send an email to grievances@kpit.com.

**EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION ON APPOINTMENT OR REAPPOINTMENT AT THE ANNUAL GENERAL MEETING.**

[Pursuant to Section 102 of the Companies Act, 2013 ("the Act") read with 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 and approved by the Central Government, 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. Anup Sable** is the Chief Technology Officer and Board Member of the Company. In his current role, he leads the company's technology vision and innovation agenda. He drives the future technology roadmap aligned with evolving client priorities and the rapidly transforming mobility landscape, with a strong emphasis on AI. He has also recently established a CTO-AI function to accelerate AI-led transformation across KPIT's offerings. He is also responsible for incubation and growth of Middleware, Vehicle Networks and Virtualization practices which are key domains for future growth and enhance KPIT's value as a trusted systems and software integration partner to the mobility industry. He also serves as an executive sponsor to many of the key client accounts of the Company.

Mr. Sable has been with KPIT since 1994 and has led global teams 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. Being 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. He holds internal board member position in KPIT Technologies GmbH, Germany. Mr. Sable is a Director of MCCIA Electronic Cluster Foundation. Recently, he has accepted the Board of Governor position at the COEP Tech university in Pune and also serves on the Advisory Council of Centre for Sustainable Energy and Mobility (C-SEM) vertical at PIC in Pune. Mr. Anup Sable has 37 years of experience.

Mr. Sable, Mechanical Engineer began his career at the Automotive Research Association of India (ARAI) as a research assistant in the Powertrain domain. He also has hands on experience in electronics design as well as embedded and cloud software. 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 for digital cockpit. 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 received 'Best outgoing Mechanical Engineer' award in 1990 from College of Engineering Pune (COEP). He also represented the State of Maharashtra in Junior National competition of rowing and received Junior National Silver Medal award.

Mr. Anup Sable was appointed as Whole-time Director of the company with effect from December 22, 2021, for a period of five years subject to retirement by rotation. Accordingly, he retires by rotation at this Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

Mr. Sable has a deep understanding of both technology and customer needs. This contributes to KPIT's position as a technology company committed to reimagining the future of mobility – cleaner, smarter, and safer. He has been an integral part of the Company's leadership team and has played a pivotal role in managing customers, driving strategic initiatives, fostering innovation, and ensuring operational excellence. With his domain expertise, proven leadership capabilities, and a track record of delivering consistent results, Mr. Sable has significantly contributed to the Company's growth and competitive positioning. In recognition of his qualifications, extensive experience, achievements, strategic insight and alignment with the Company's long-term vision, the Board considers his reappointment on his retirement by rotation at this meeting.

Other details of Mr. Anup Sable are given in a tabular format (Annexure A) below, which forms part of this notice.

Mr. Sable 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 Members.

## ITEM NO. 5

**Mr. Chinmay Pandit** is the Board Member and President – Americas. He is also Chief Risk Officer (CRO) of the Company. As Americas Geo Head, he is responsible for the overall strategy, growth plan and profitability for the Company in the Americas. This includes executive connect with key clients' leadership, business development & operations, people development and the branding & positioning of the organization.

In his additional role as the Chief Risk Officer, he is responsible for oversight and management of the company's risk profile. He is accountable for maintaining a robust risk management framework aligned with the company's business and continuously monitors & adapts risk strategies to reflect the changing business environment. He ensures the diligent application of this framework for further reporting to the CEO and the Board.

Till last year, Mr. Chinmay Pandit also headed the Commercial Vehicle vertical where he was responsible for driving growth through building trusted partnerships with leading Trucks and Off-highway OEMs.

Before heading Americas Geography, Mr. Chinmay Pandit led the Vehicle Engineering & Design practice of the Company. The Vehicle Engineering & Design practice in KPIT offers new age 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. The Vehicle Engineering & Design practice consistently held the position of the most profitable business line.

Before joining KPIT, Mr. Chinmay Pandit worked with KPMG and Infosys. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has also completed his MBA from world renowned J. L. Kellogg School of Business at Northwestern University, USA and has been awarded 'Most Trustworthy Negotiator'. He possesses rich experience of 23 years, including 17 years in KPIT.

Mr. Chinmay Pandit has been appointed as Whole-time Director of the Company with effect from July 26, 2022, for a period of five years subject to retirement by rotation. Accordingly, he retires by rotation at this Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

Mr. Chinmay Pandit has diverse experience in finance & risk, technology, and general management. He brings a unique blend of cross-functional expertise that has significantly contributed to the Company's growth. He has played a pivotal role in driving strategic growth and operational excellence across multiple business areas. His leadership has significantly strengthened the Company's positioning in Americas. In recognition of his qualifications, outstanding contributions, strategic acumen, experience, achievements and stellar contribution to the growth of the Company, the Board recommends his reappointment on his retirement by rotation at this meeting.

Other details of Mr. Chinmay Pandit are given in a tabular format (Annexure A) below, which forms part of this notice.

Mr. Chinmay Pandit is son of Mr. S. B. (Ravi) Pandit, Chairman of the Board and Non-Executive Director of the Company.

None of the Directors, Key Managerial Personnel of the Company including their relatives, are concerned or interested, financially or otherwise, in the proposed resolution, except Mr. S. B. (Ravi) Pandit.

The Board of Directors recommends the Ordinary Resolution set forth as **Item No. 5** of the notice for approval of the Members.

## ITEM NO. 6

In the April 2025 Board Meeting, the Board has approved the appointment of Dr. K. R. Chandratre, a Company Secretary in Whole-time Practice, as the Secretarial Auditor of the Company for a consecutive period of five years, commencing from April 1, 2025, subject to approval of Members at this annual general meeting.

Dr. K. R. Chandratre has been in the profession of Company Secretary for over 40 years. He provides

comprehensive professional services in corporate laws to various prominent companies across sectors. He has been conducting the Secretarial Audit of the Company since 2019.

Dr. Chandratre has an impressive academic background. He holds a master's degree in Commerce, Bachelor's degree in law and Doctorate degree from the University of Pune. He is a fellow member of the Institute of Company Secretaries of India. He has secured several academic and professional distinctions and honors. He is a renowned Practicing Company Secretary with over 23 years of practice. Before which, he worked as a Lecturer in Commerce & Accountancy at R A Podar College of Commerce & Economics, Mumbai for 3 years. After serving at Kirloskar Oil Engines Limited for 15 years - his last position being Director (Legal, Secretarial & HR) & Company Secretary.

Dr. Chandratre was the President of the Institute of Company Secretaries of India during 1996 and the Vice-President for two years, 1994 and 1995. He was a member of the Working Group on Redrafting of the Companies Act, 1956 constituted by the Government of India in August 1996, to draft a new Companies Act to be substituted for the Companies Act, 1956. He was the Chairman of the Committee on 'Delisting of Securities' constituted by SEBI in March 1997. He was also a member of the Advisory Committee on Primary Markets of SEBI during 1996. He also served as SEBI-nominated Public Representative Director and Chairman of the Board of the Pune Stock Exchange, during April 2004 to April 2005. He was a Member of the Expert Group constituted by SEBI in October 2004 under the Chairmanship of Justice Kania to suggest further amendments to the SEBI Act, 1992. He was a member of Secretarial Standards Board and Chairman of the Core Group on Secretarial Audit of the ICSI. He was also the Chairman of the Expert Advisory Group of the ICSI for the past 4 years.

Dr. K. R. Chandratre is an active participant in seminars, workshops, conferences and conventions, especially in the discussions relating to new amendments and critical issues in Company Law and SEBI Regulations. So far, he has addressed more than 500 such programs, besides contributing papers at the National & International levels. He has copious published writings to his credit. He has so far authored over 1200 articles and 26 books on various subjects in the areas of Corporate Laws and Corporate Secretarial Practice. He is a plain English activist and has been contributing to promote plain English in legal and business writing. He has written many articles, and a book entitled Legal and Business Writing in Plain English. Many of his articles have bagged awards as best articles. Some of his current prominent, leading and most recognized books are:

1) Commentary on the Companies Act
2) The Company Secretarial Practice Manual
3) Company Meetings: Law, Practice & Procedure
4) Law relating to Insider Trading
5) Compendium of Key Issues under Corporate Laws
6) SEBI LODR Regulations - A Handbook

Dr. K. R. Chandratre is holding membership of the Institute of Company Secretaries of India (Membership No. FCS 1370) and Certificate of Practice No. 5144. He is a peer reviewed Practicing Company Secretary (Peer Review Certificate No. 1206/2021). Dr. Chandratre has given his consent to act as a Secretarial Auditor along with the eligibility certificate confirming that proposed appointment, if made, will be in compliance with the Regulation 24A of SEBI Listing Regulations read with SEBI Circulars and Section 204 of the Act & other applicable provisions read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Board in consultation with the Audit Committee recommends the appointment of Dr. K. R. Chandratre as the Secretarial Auditor based on a thorough evaluation of his extensive experience, industry standing, and competencies. Dr. Chandratre is a highly regarded professional specializing in corporate law, SEBI and FEMA regulations, corporate governance, and related advisory services for a diverse portfolio of reputed companies including public sector entities, listed companies, multinationals and leading corporates. His experience also includes conducting Secretarial Audits for listed and large unlisted companies. The Audit Committee and the Board believe his deep knowledge and experience will be invaluable for the Company.

Hence, it is proposed to appoint Dr. K. R. Chandratre as Secretarial Auditor of the Company for a period of five consecutive years from April 1, 2025 to March 31, 2030, subject to approval of the Members at this AGM. The proposed remuneration (professional fees) to conduct Secretarial Audit for FY 2025-26 will be ₹ 4,75,000/- p.a., plus applicable taxes and other out-of-pocket expenses. For the remaining tenure, the Board may finalize the terms of appointment, remuneration and scope of work, in consultation with the Secretarial Auditor, based on the recommendation of the Audit Committee.

In addition to the secretarial audit, the Company may avail such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditor.

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. 6** of the notice for the approval of the Members.

By Order of the Board of Directors
For **KPIT Technologies Limited**

**Ashish Malhotra**
General Counsel & Company Secretary
Membership No: A18393

Pune
April 28, 2025

## ANNEXURE A

### Other details of Directors seeking appointment or 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. Anup Sable | Mr. Chinmay Pandit |
|---|---|---|
| Date of Birth/Age | March 14, 1969 / 56 years | January 31, 1979 / 46 years |
| Date of First Appointment | December 22, 2021 | July 26, 2022 |
| Date of previous reappointment by shareholders | Not Applicable | Not Applicable |
| Qualification | • Bachelor of Engineering (Mechanical Engineer) from College of Engineering, Pune (COEP) | • Chartered Accountant from the Institute of Chartered Accountants of India<br>• MBA from J. L. Kellogg School of Business at Northwestern University, USA |
| Experience | 37 years | 23 years |
| Shareholding in the Company | 3,51,872 (0.13%) | 38,620 (0.01%) |
| Shareholding in the Company of the spouse and immediate relatives of the Director | Ms. Rupashree Sable: 1,703 | Mr. S. B. (Ravi) Pandit: 9,89,306<br>Ms. Nirmala Pandit: 2,39,000 |
| No. of Board meetings attended during the Financial Year 2024-25 | 6 out of 6 | 6 out of 6 |
| Chairman/Member of the Committee of the Board of Directors of the Company | Member of Stakeholders Relationship Committee | Member of Enterprise Risk Management Committee |
| List of other Directorships / positions held | • MCCIA Electronic Cluster Foundation<br>• COEP Tech University, Pune<br>• Centre for Sustainable Energy and Mobility (C-SEM) vertical at PIC, Pune | • KPIT Technologies Inc.<br>• Kirtane & Pandit LLP |
| Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a director | Nil | Nil |
| Remuneration proposed to be paid | As approved by the Members in the Annual General Meeting held on August 24, 2022. | As approved by the Members in the Annual General Meeting held on August 24, 2022. |
| Terms and Conditions of Reappointment | | |
| Relationship with other Directors or Key Managerial Personnel of the Company | Nil | Mr. Chinmay Pandit, Whole-time Director is the son of Mr. S. B. (Ravi) Pandit, Chairman of the Board. |
| 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 General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (“MCA”) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (“VC”) or other audio visual means (“OAVM”), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM to participate and cast their votes through e-voting.
3. 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.
4. 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.
5. 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 on General Meetings (“SS-2”) issued by ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the circulars issued by MCA from time to time, 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 entered into an agreement with National Securities Depository Limited (“NSDL”) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with Circular No. 17/2020 dated April 13, 2020 issued by 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.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER:

The remote e-voting period begins on **Thursday, August 7, 2025, (09:00 a.m. IST) and ends on Monday, August 11, 2025, (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 5, 2025,** 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 5, 2025.**

**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 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 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. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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.<br>2. 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.<br>3. 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<br>4. 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.<br>5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.<br>**NSDL Mobile App is available on**<br>App Store 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.<br>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. By clicking the e-Voting 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.<br>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.<br>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 e-Voting 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. |
| 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. 1800-21-09911 |

**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 e-Services i.e., IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-Services 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<br>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<br>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.<br>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 of 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 5, 2025, 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 sent through e-mail and holding shares as of the cut-off date i.e., **Tuesday, August 5, 2025,** 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. 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 5, 2025,** 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 ("FAQ") 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 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 ON THE DAY OF AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of 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 cast 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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning the name, demat account number/folio number, email id, mobile number at grievances@kpit.com. The same will be replied by the company suitably.
6. 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 9, 2025 (09:00 a.m. IST) and ends on Sunday, August 10, 2025 (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 the smooth conduct of the AGM.





KPIT

**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, Maharashtra, 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 Ministry of Corporate Affairs (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. Accordingly, we propose to send communications and documents like Annual Reports, Notices, Quarterly Results updates etc. through 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 the 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, KYC and Bank details by holders of physical securities.

**We are entreating all the physical shareholders to convert their shareholding into Dematerialized mode.**

## Communication to shareholders (Contd.)

### 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, read with Master Circular dated May 07, 2024 and circular dated June 10, 2024) mandated that the security holders (holding securities in physical form), are eligible for receipt of payment including dividend in respect of folios, only through electronic mode with effect from April 01, 2024. In case your folio(s) are not updated with the KYC details (viz., PAN, Contact Details, Mobile Number, Bank Account Details and signature) you are requested to update the same.

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.

### E) Senior Citizen Investors Cell:

We would also like to draw your attention to the Senior Citizens Investor Cell created by our RTA to assist exclusively the shareholders who are above 60 years of age for any investor service-related issues. Senior citizens who wish to avail this service can send the communication to senior.citizen@kfintech.com. A dedicated toll-free number 1800 3094 006 is also provided for the convenience of the senior citizens.

### 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/investor-gov/ and http://ris.kfintech.com/faq.html. For the details of the required forms and documents, please refer to the Frequently Asked Question (FAQ) provided on the link below. https://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**

Ashish Malhotra

**General Counsel & Company Secretary**

## NOTE

**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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