

Birlasoft Limited

(Erstwhile KPIT Technologies Limited)

Registered and Corporate Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune 411057, India
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EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

₹ in million (except per share data)

Sr. No.	Particulars	Quarter Ending	Half year ended	Quarter Ending
		September 30, 2019 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited) (Refer note 3)
1	Sales / Income from operations	7,734.18	15,506.11	6,035.52
2	Net profit for the period (before tax, exceptional and extraordinary item)	638.48	1,242.07	1,060.85
3	Net profit for the period before tax (after exceptional and extraordinary item)	638.48	1,242.07	1,060.85
4	Net profit for the period after tax (after exceptional and extraordinary items)	408.26	826.28	825.72
5	Other comprehensive income (net of tax)	136.74	160.70	446.78
6	Total comprehensive income for the period	545.00	986.98	1,272.50
7	Equity share capital	552.94	552.94	381.29
8	Earning per share for the period (after extraordinary items) (on par value of ₹2/-) (not annualised)			
	Basic	1.47	2.99	4.23
	Diluted	1.46	2.96	4.11

Notes:

- The above unaudited consolidated financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on November 08, 2019. These unaudited consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 and provisions of the Companies Act, 2013.
- The Statutory Auditors of the Company have conducted a limited review of the above consolidated financial results of the Company for the quarter and half year ended September 30, 2019. An unqualified opinion has been issued by them thereon.
- Pursuant to the Composite Scheme of arrangement for amalgamation of Birlasoft (India) Limited ("Transferor Company") with KPIT Technologies Limited (now known as Birlasoft Limited) ("Transferee Company" or "Demerged Company") and demerger of the engineering business of KPIT Technologies Limited (now known as Birlasoft Limited) into KPIT Engineering Limited (now known as KPIT Technologies Limited) given effect to from January 01, 2019, the figures for the quarter ended September 30, 2019 are not comparable with figures for the quarter ended September 30, 2018.
- Standalone information

Sr. No.	Particulars	Quarter Ending	Half year ended	Quarter Ending
		September 30, 2019 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)
a	Revenue from continuing operations	3,540.44	6,978.84	2,227.86
b	Profit before tax from continuing operations	526.37	969.12	341.79
c	Net profit for the period from continuing operations	354.76	654.22	254.38
d	Net profit for the period from discontinued operations	-	-	296.46
e	Other comprehensive income/(losses)	(32.35)	(42.27)	(43.22)
f	Total comprehensive income	322.41	611.95	507.62

- The Group has adopted Ind AS 116, effective annual reporting period beginning April 01, 2019 and applied the standard to its leases using the modified retrospective approach as per para C5(b) of the standard. Accordingly, the Group recorded lease liability at present value of future lease payments discounted at the incremental borrowing rate and corresponding right-of-use asset at an amount equal to lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Accordingly, the Group has not restated comparative information. This has resulted in recognising right-of-use asset of ₹1,516.57 million and corresponding lease liability of ₹1,505.32 million as at April 01, 2019, after adjusting advance rent of ₹26.78 million and lease equalization reserve of ₹69.93 million, available as at March 31, 2019, against the right-of-use asset. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use assets and finance cost for interest accrued on lease liabilities. In respect of lease that were classified as finance lease under Ind AS 17, an amount of ₹54.33 million has been reclassified from Property, plant and equipment to right-of-use assets as at April 01, 2019.
- The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company has evaluated and expects to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 in a subsequent financial year. Accordingly, the Company has estimated the reversal of the deferred tax asset/ liabilities, until the date of exercise of the option and subsequent to exercise of the option. The effect of this change has been recognised in tax expense for the quarter and six months ended 30th September, 2019 on an effective tax basis. This has resulted in increase in the deferred tax expense of Rs. 29.67 million, which has been recorded in quarter and half year period ended 30th September 2019 on account of remeasurement of deferred tax asset.
- Recently, Sparta Consulting Inc. entered into a Settlement Agreement and Release ("Agreement") to fully and finally settle all claims or potential claims which may exist between and among them in an ongoing law suit in US with Copart, Inc. The parties have entered into the Agreement whereby USD 2.80 million was paid by Sparta Consulting Inc. to Copart Inc. with no party admitting any liability or wrong doing, resulting in the court dismissing the suit. As agreed in Composite Scheme of Arrangement between the parties, KPIT Technologies Limited (erstwhile KPIT Engineering Limited) through its subsidiary in USA has reimbursed Sparta Consulting Inc. fully. With this outcome the claim made by Copart is settled and closed.
- The results for the quarter and half year ended September 30, 2019 are available on the Company's website, www.birlasoft.com and also on the website of the BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com, where the shares of the Company are listed.
- Dividend of ₹2.00 per share, declared by the Board of Directors in the meeting held on May 24, 2019, was approved by the shareholders at the annual general meeting held on August 07, 2019 and paid on August 08, 2019.

On behalf of the Board of Directors
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)

Place : New Delhi
Date : November 08, 2019

Dharmander Kapoor
CEO & Managing Director



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