BIRLASOFT LIMITED

SUBSIDIARIES
ANNUAL REPORT
2019-20

Pioneering new paths

CK BIRLA GROUP

birlasoft

Contents

1	Birlasoft (UK) Limited	**1**
2	Birlasoft Solutions Limited	**8**
3	Birlasoft Solutions France	**13**
4	Birlasoft Solutions GmbH	**21**
5	Birlasoft GmbH	**30**
6	Birlasoft Solutions Inc.	**33**
7	Birlasoft Consulting Inc.	**44**
8	Birlasoft Computer Corporation	**54**
9	Birlasoft Inc.	**63**
10	Enablepath LLC	**71**
11	Birlasoft Technologies Canada Corporation	**77**
12	Birlasoft Solutions Mexico S.A. DE C.V.	**84**
13	Birlasoft Solutions Ltda.	**89**
14	Birlasoft Sdn. Bhd.	**94**
15	Birlasoft Solutions ME FZE	**101**

Birlasoft (UK) Limited

Registered Office: 4th Floor, 53 - 54 Grosvenor Street, London, W1K 3HU.

Strategic Report

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their strategic report for the year ended 31 March 2020.

REVIEW OF BUSINESS

The revenue for the year amounted to £7,266,764 (2019 - £9,786,925).

The directors of the company are satisfied with the performance of the company.

There is an decrease in the revenue due to the change in the practice of the company to raise invoices from UK company on the Swiss entity. There is drop in the revenue due to completion of certain projects which gave revenue during last financial year. We have though added few new customers in the current financial year. The management are aware of the market conditions and have worked on strategies and plans for the upcoming year, undertaken branding initiatives and are looking to forge strategic business partnerships as well. The company continued its focus on offshore model of delivery and provide solution based delivery to its clients.

PRINCIPAL RISKS AND UNCERTAINTIES

The company provides specialised computer-related consulting and custom programming solutions to customers located throughout the world.

Birlasoft has morphed itself into a solutions oriented company and is engaged in providing architecture led digital transformation services for businesses in the new economy. In addition to e-procurement and digital marketplaces, Birlasoft also focuses on other digital systems including enterprise portals, content management, wireless enablement, CRM, enterprise application integration and Managed application support services.

The company has main risks with regards to retention of employee's, immigration policies, labour laws changes, competition in the market, credit risk etc. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Employee retention risk:

Better role/profile alignment, ensuring good utilisation of employees, better & competitive pay, employee friendly HR policies, etc.

Immigration & Labour laws Risk:

Company fulfils the customer requirement by providing resources through local hire and getting people from outside EU. Getting people from outside EU region gives competitive advantage and is also a cost effective model. With the recent changes in the immigration and labour Laws, getting people from outside EU region is no longer beneficial as compared to local hire. Company has therefore adopted a policy of hiring from the local market as compared to getting people from outside EU region in order to meet customer requirement and managing competition.

Interest rate risk:

The company finances its operations through a mixture of retained profits, cash balances, Invoice financing facility and balances with group undertakings.

Foreign currency Risk:

Company's transactions are mainly in sterling & US Dollars and Euros which exposes the Company to foreign exchange fluctuation. The Company does not hedge any currency exposures.

Credit Risk:

The company manages its credit risk by thorough credit checks and rigorous debt collection procedures.

ON BEHALF OF THE BOARD:

B R Adavikolanu - Director
6 May 2020

Report of the Directors

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of specialised computer-related consulting and custom programming solutions.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

C K Birla

Mrs A Birla

S S Kejriwal

A K Ladha

Other changes in directors holding office are as follows:

A Lahiri - resigned 31 May 2019

B R Adavikolanu - appointed 17 June 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

B R Adavikolanu - Director
6 May 2020

Report of the Independent Auditors to the Members of Birlasoft (UK) Limited

Opinion

We have audited the financial statements of Birlasoft (UK) Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to the COVID19 pandemic on our audit

Uncertainties related to the effects of COVID19 are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future property and performance.

COVID19 is one of the most significant public health, social and economic event and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardise firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for the company and this is particularly the case in relation to COVID19.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sanjeev Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants & Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

6 May 2020

Income Statement
For the year ended 31 March 2020

	Notes	2020 £	2019 £
TURNOVER	3	7,266,764	9,786,925
Cost of sales		5,838,200	7,402,501
GROSS PROFIT		1,428,564	2,384,424
Administrative expenses		1,478,579	1,448,671
		(50,015)	935,753
Other operating income		448,714	4,395
OPERATING PROFIT	5	398,699	940,148
Interest receivable and similar income		3,029	2,851
		401,728	942,999
Amounts written off investments	6	19,863	-
		381,865	942,999
Interest payable and similar expenses	7	11,573	13,334
PROFIT BEFORE TAXATION		370,292	929,665
Tax on profit	8	84,863	182,072
PROFIT FOR THE FINANCIAL YEAR		**285,429**	**747,593**

Other Comprehensive Income
For the year ended 31 March 2020

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		285,429	747,593
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		285,429	747,593

Balance Sheet
31 MARCH 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	9		11,189		10,438
Investments	10		-		19,863
			11,189		30,301
CURRENT ASSETS					
Debtors	11	1,723,845		2,482,552	
Cash at bank and in hand		2,856,984		1,199,574	
		4,580,829		3,682,126	
CREDITORS					
Amounts falling due within one year	12	2,130,125		1,535,963	
NET CURRENT ASSETS			2,450,704		2,146,163
TOTAL ASSETS LESS CURRENT LIABILITIES			2,461,893		2,176,464
CAPITAL AND RESERVES					
Called up share capital	13		150,000		150,000
Retained earnings	14		2,311,893		2,026,464
SHAREHOLDERS' FUNDS			**2,461,893**		**2,176,464**

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 6 May 2020 and were signed on its behalf by:

B R Adavikolanu - Director

Statement of Changes in Equity
For the year ended 31 March 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2018	150,000	1,278,871	1,428,871
Changes in equity			
Total comprehensive income	-	747,593	747,593
Balance at 31 March 2019	150,000	2,026,464	2,176,464
Changes in equity			
Total comprehensive income	-	285,429	285,429
Balance at 31 March 2020	150,000	2,311,893	2,461,893

Cash Flow Statement
For the year ended 31 March 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,852,856	411,510
Interest paid		(11,573)	(13,334)
Tax paid		(182,072)	(91,166)
Net cash from operating activities		1,659,211	307,010
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,830)	-
Interest received		3,029	2,851
Net cash from investing activities		(1,801)	2,851
Increase in cash and cash equivalents		1,657,410	309,861
Cash and cash equivalents at beginning of year	2	1,199,574	889,713
Cash and cash equivalents at end of year	2	2,856,984	1,199,574

Notes to the Cash Flow Statement
For the year ended 31 March 2020

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2020	2019
	£	£
Profit before taxation	370,292	929,665
Depreciation charges	4,079	4,153
Increase/(Decrease) in group creditors	318,605	(782,215)
(Increase)/Decrease in group debtors	316,098	-
Amounts w/off investment in subsidiary	19,863	-
Finance costs	11,573	13,334
Finance income	(3,029)	(2,851)
	1,037,481	162,086
Decrease in trade and other debtors	442,609	342,882
Increase/(decrease) in trade and other creditors	372,766	(93,458)
Cash generated from operations	1,852,856	411,510

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	2,856,984	1,199,574
Year ended 31 March 2019		
	31/3/19	**1/4/18**
	£	**£**
Cash and cash equivalents	1,199,574	1,126,863
Bank overdrafts	-	(237,150)
	1,199,574	889,713

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/19	Cash flow	At 31/3/20
	£	£	£
Net cash Cash at bank and in hand	1,199,574	1,657,410	2,856,984
	1,199,574	1,657,410	2,856,984
Total	1,199,574	1,657,410	2,856,984

Notes to the Financial Statements
For the year ended 31 March 2020

1. **STATUTORY INFORMATION**

Birlasoft (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Birlasoft (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Birlasoft Limited (Erstwhile KPIT Technologies Limited).

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make significant judgements and estimates. These estimates and judgements are continually reviewed and are based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The areas of judgement and estimates applied by the directors are not considered sufficiently significant to require disclosure in these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 4 years on cost

Computer equipment - 4 years on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, accrued expenses and related parties balances.

Debt instruments that are payable or receivable within one year. typically trade debtors and creditors. are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found. an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount. which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting dale.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to trade in the foreseeable future. The Company Directors having made appropriate enquiries consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and with the continued support of the company's shareholder, the company will be able to meet its liabilities as they fall due for payment. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements.

Since the financial year end, there are uncertainties relating to COVID19 pandemic which may impact on recoverability of the investments and debtors. No provisions have been made in the financial statements in respect of these uncertainties.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company. An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	4,249,968	5,463,180
Rest of the world	3,016,796	4,323,745
	7,266,764	9,786,925

4. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	2,056,143	1,772,441
Social security costs	204,577	194,885
Other pension costs	25,341	20,539
	2,286,061	1,987,865

The average number of employees during the year was as follows:

	2020	2019
	£	£
Administrative staff	7	7
Consultants	20	18
	27	25

	2020	2019
	£	£
Directors' remuneration	50,000	50,000

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Other operating leases	44,888	46,840
Depreciation - owned assets	4,079	4,153
Auditors' remuneration	11,220	12,000
Foreign exchange differences	(92,978)	(104,454)

	2020	2019
	£	£
Auditors remuneration - Audit of financial statements	8,750	8,750
Auditors remuneration - Non -audit services	2,470	3,250

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2020	2019
	£	£
Amounts written off investment in subsidiary	19,863	-

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank interest	11,573	13,334

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax: UK corporation tax	84,863	182,072
Tax on profit	84,863	182,072

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	370,292	929,665
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	70,355	176,636
Effects of: Expenses not deductible for tax purposes	14,740	4,756
Capital allowances in excess of depreciation	(232)	-
Depreciation in excess of capital allowances	-	680
Total tax charge	84,863	182,072

9. TANGIBLE FIXED ASSETS

	Computer equipment
	£
COST	
At 1 April 2019	47,542
Additions	4,830
Disposals	(21,103)
At 31 March 2020	31,269
DEPRECIATION	
At 1 April 2019	37,104
Charge for year	4,079
Eliminated on disposal	(21,103)
At 31 March 2020	20,080
NET BOOK VALUE	
At 31 March 2020	11,189
At 31 March 2019	10,438

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings
	£
COST	
At 1 April 2019 and 31 March 2020	19,863
PROVISIONS	
Provision for year	19,863
At 31 March 2020	19,863
NET BOOK VALUE	
At 31 March 2020	-
At 31 March 2019	19,863

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Birlasoft GmbH

Registered office: Kapellenstrabe 47, 65830 Kriftel Germany

Nature of business: Non Trading %

Class of shares:	holding
Ordinary	**100.00**

	2020	2019
	£	£
Aggregate capital and reserves	(10,299)	(7,783)
Loss for the year	(2,291)	(4,845)

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	818,949	724,117
Amounts owed by group undertakings	588,199	904,297
Other debtors	16,434	24,430
Accrued income	298,442	823,884
Prepayments	1,821	5,824
	1,723,845	2,482,552

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	13,099	1,416
Amounts owed to group undertakings1,196,571	877,966	
Tax	84,863	182,072
Social security and other taxes	100,975	65,273
VAT	143,784	30,092
Accruals and deferred income	239,652	-
Accrued expenses	351,181	379,144
	2,130,125	1,535,963

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value	2020 £	2019 £
150,000	Ordinary	£1.00	150,000	150,000

14. RESERVES

	Retained earnings
	£
At 1 April 2019	2,026,464
Profit for the year	285,429
At 31 March 2020	2,311,893

15. RELATED PARTY DISCLOSURES

During the year ended 31 March 2020, the company was charged £2,639,879 (2019: £1,599,710) by Birlasoft Limited, a holding company of Birlasoft Inc., in connection with work done by them on the projects won by Birlasoft UK at their offshore development centre in India and administrative support provided by them in India. During the year ended 31 March 2020, the company was charged £Nil (2019: £2,507,780) by Birlasoft Limited, a holding company of Birlasoft Inc., in connection with work done by them on the projects won by Birlasoft Switzerland entity at their offshore development centre in India and administrative support provided by them in India. During the year ended 31 March 2020, the company charged £Nil (2019: £3,323,367) on Birlasoft Swiss entity against providing services to execute the projects won by Birlasoft Swiss entity. At the year end the company owed to Birlasoft Limited, the sum of £541,984 (2019: £754,364).

The company charged Birlasoft Limited £11,148 (2019: £7,838) for providing the services of its employees to execute contracts of Birlasoft India. The company was also charged £25,506 (2019: £64,559) by Birlasoft Limited, for providing the services of its employees to execute contracts of Birlasoft. At the year end, the company was owed £9,161 (2019: £8,710) by Birlasoft Germany, the 100% subsidiary of Birlasoft UK. The company charged Birlasoft Inc. £712,718 (2019: £280,452) for providing the services of its employees to execute contracts of Birlasoft Inc The company was also charged £49,985 (2019: £64,681) by Birlasoft Inc for execution of projects of the company.

During the year ended 31 March 2020, the company charged Birlasoft Malaysia, a subsidiary of Birlasoft Limited, £92,221 (2019: £36,402) for providing the services to the employees to execute contracts of Birlasoft Limited.

During the year ended 31 March 2020, Birlasoft Limited, a holding company, charged Birlasoft Limited (Netherlands), a branch of Birlasoft (UK) Limited, Euros 1,083,850 (£959,300) (2019: £Nil) for providing services from India to execute projects undertaken by the branch.

During the year ended 31 March 2020, the company charged £360,864 (2019: £Nil) to Birlasoft Solutions Limited , £32,449 (2019: £Nil) to Birlasoft Solutions France, £106,469 (2019: £Nil) to Biralsoft Solutions GmbH and £1,007 (2019: £Nil) Birlasoft Solutions ME FZE Dubai for providing the services of its employees to execute contracts of those companies.Birlasoft Solutions Limited, Birlasoft Solutions France, Biralsoft Solutions GmbH and Biralsoft Solutions ME FZE Dubai are fellow subsidiaries of Birlasoft (UK) Limited.

During the year, the company charged £243,009 to Birlasoft Limited (Netherlands Branch) for the liabilities and costs incurred on behalf of the branch.

16. ULTIMATE CONTROLLING PARTY

In the opinion of the directors, the immediate parent company is Birlasoft Inc., a company incorporated in the United States of America. Copies of the report and financial statements for Birlasoft Inc. may be obtained from 399 Thornall Street, 8th Floor, Edison NJ 08837, USA.

The directors consider the company's ultimate holding company and controlling party to be Birlasoft Limited which is incorporated in India. Copies of that company's financial statements are available from 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune - 411057, Maharshtra, India.

Trading and Profit and Loss Account
For the year ended 31 March 2020

	2020		2019	
	£	£	£	£
Turnover				
Sales	7,250,572		9,786,925	
Other income	16,192		-	
		7,266,764		9,786,925
Cost of sales				
Purchases	2,567,155		4,172,171	
Wages	1,017,247		831,508	
Social security	92,265		77,461	
Pensions	5,871		5,920	
Other direct costs	1,118,225		199,167	
Sub contractors	1,037,437		2,116,274	
		5,838,200		7,402,501
GROSS PROFIT		1,428,564		2,384,424
Other income				
Sundry receipts	448,714		4,395	
Deposit account interest	3,029		2,851	
		451,743		7,246
		1,880,307		2,391,670
Expenditure				
Directors' salaries	50,000		50,000	
Directors' social security	5,709		5,737	
Wages	988,896		890,933	
Social security	106,603		111,687	
Pensions	19,470		14,619	
Rent	44,888		46,840	
Insurance	5,877		3,965	
Telephone	25,792		36,656	
Post and stationery	2,511		3,686	
Travelling	150,607		220,366	
Repairs and renewals	8		598	
Staff Welfare	20,093		17,886	
Medical insurance	7,895		5,311	
Sundry expenses	(3)		1	
ESOP Expenses	43,619		13,028	
Subscriptions	-		3	
Seminars and conference	-		8,291	
Staff recruitment	-		8,100	
Legal fees	29,891		19,328	
Auditors' remuneration	11,220		12,000	
Foreign exchange differences	(92,978)		(104,454)	
Advertising	23,253		52,068	
Entertainment	14,094		25,030	
Bad debts	12,072		-	
		1,469,517		1,441,679
		410,790		949,991
Finance costs				
Bank charges`	4,983		2,839	
Bank interest	11,573		13,334	
		16,556		16,173
		394,234		933,818
Depreciation				
Computer equipment		4,079		4,153
		390,155		929,665
Amounts written off investments				
Amounts written off investment in subsidiary		19,863		-
NET PROFIT		370,292		929,665

Birlasoft Solutions Limited

Registered Office : 400 Thames Valley Park Drive, Thames Valley, Park Reading Berkshire Reading, RG6 1PT, United Kingdom.

Report of the Directors

For the year ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

CHANGE OF NAME

The company passed a special resolution on 1 June 2019 changing its name from KPIT Infosystems Limited to Birlasoft Solutions Limited.

PRINCIPAL ACTIVITY

The principal activity of the company during the period was IT enabled services, operating in conjunction with Birlasoft Limited, the parent company which is registered in India.

DIRECTORS

D Kapoor has held office during the whole of the period from 1 April 2019 to the date of this report.

Other changes in directors holding office are as follows:

R Gupta - resigned 31 January 2020

A Lahiri - resigned 31 May 2019

B R Adavikolanu - appointed 1 June 2019

S Kulkarni - appointed 31 January 2020

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's financial instruments comprise cash and liquid resources, various items such as trade debtors, trade creditors etc that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are liquidity risk, interest rate risk, credit risk, and market risk.

Liquidity risk

The company has to manage the financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Credit risk

The company financial asset is cash. It is exposed to credit risk in respect of its cash balances as it uses only one financial institution in the UK.

Foreign exchange risk management

Foreign currency transaction exposures arising on internal and external trade flows are partially hedged. The company's objective is to minimise the exposure of overseas trade to transaction risk by matching local currency income with local currency costs where possible, as well as maintaining multi-currency accounts to minimise conversions.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

11 May 2020 **B R Adavikolanu - Director**

Report of the Independent Auditors to the Members of Birlasoft Solutions Limited

Opinion

We have audited the financial statements of Birlasoft Solutions Ltd (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to the COVID19 pandemic on our audit

Uncertainties related to the effects of COVID19 are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

COVID19 is one of the most significant public health, social and economic event and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for the company and this is particularly the case in relation to COVID19.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

S Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants & Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

11 May 2020

Income Statement

For the year ended 31 March 2020

	Notes	Year ended 31/3/20 £	Period 18/4/18 to 31/3/20 £
TURNOVER	3	**9,161,307**	**3,555,237**
Cost of sales		7,927,825	3,071,76
GROSS PROFIT		**1,233,482**	**483,474**
Administrative expenses		1,372,922	249,195
		(139,440)	234,279
Other operating income		100	283,480
OPERATING (LOSS)/PROFIT	5	**(139,340)**	**517,759**
Interest payable and similar expenses	6	362,589	114,692
(LOSS)/PROFIT BEFORE TAXATION		**(501,929)**	**403,067**
Tax on (loss)/profit	7	-	76,676
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(501,929)**	**326,391**

Balance Sheet

For the year ended 31 March 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	8		2,750		1,947
Investments	9		8,027,329		8,027,329
			8,030,079		**8,029,276**
CURRENT ASSETS					
Debtors	10	7,575,340		8,395,879	
Cash at bank		1,060,407		839,315	
		8,635,747		9,235,194	
CREDITORS					
Amounts falling due within one year	11	5,677,986		5,691,904	
NET CURRENT ASSETS			**2,957,761**		**3,543,290**
TOTAL ASSETS LESS CURRENT LIABILITIES			**10,987,840**		**11,572,566**
CREDITORS					
Amounts falling due after more than one year	12		(10,662,781)		(10,745,578)
PROVISIONS FOR LIABILITIES	13		(597)		(597)
NET ASSETS			**324,462**		**826,391**
CAPITAL AND RESERVES					
Called up share capital	14		500,000		500,000
Retained earnings	15		(175,538)		326,391
SHAREHOLDERS' FUNDS			**324,462**		**826,391**

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 11 May 2020 and were signed on its behalf by:

B R Adavikolanu - Director

Notes to the Financial Statements
For the year ended 31 March 2020

1. **STATUTORY INFORMATION**

Birlasoft Solutions Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to trade in the foreseeable future. The Company Directors having made appropriate enquiries consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and with the continued support of the company's shareholder, the company will be able to meet its liabilities as they fall due for payment.

The parent company, Birlasoft Limited, has agreed to invest in the company, by way of an additional capital contribution, an amount not exceeding £8.50m. The amount will be provided as and when required by the company. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements.

Since the financial year end, there are uncertainties relating to COVID19 pandemic which may impact on recoverability of the investments and debtors. No provisions have been made in the financial statements.

Preparation of consolidated financial statements

The financial statements contain information about Birlasoft Solutions Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make significant judgements and estimates. These estimates and judgements are continually reviewed and are based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The areas of judgement and estimates applied by the directors are not considered sufficiently significant to require disclosure in these financial statements.

Turnover

Turnover represents amounts receivable for services provided net of VAT. Revenue on perpetual software licences is recognised on approval by the customer providing there are no unfulfilled obligations.

Revenue for software services is recognised on the basis of services rendered. In case of time & material contracts, invoices are raised on the basis of customer approved timesheets. In case of fixed price projects, invoices are raised for prescribed milestones achieved on the basis of acceptance / sign-off received from customer.

Tangible fixed assets

Depreciation is provided at the following annual rate in order to write off each asset over its estimated useful life.

Fixtures and fittings -33.33% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, accrued expenses and related parties balances.

Debt instruments that are payable or receivable within one year. typically trade debtors and creditors. are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found. an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount. which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting dale.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

3. **TURNOVER**

The turnover and loss (2019 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	Year ended 31/3/20 £	Period 18/4/18 to 31/3/19 £
United Kingdom	6,715,124	2,527,744
Europe	1,509,336	770,778
United States of America	936,847	256,715
	9,161,307	**3,555,237**

4. **EMPLOYEES AND DIRECTORS**

	Year ended 31/3/20 £	Period 18/4/18 to 31/3/19 £
Wages and salaries	1,609,565	682,220
Social security costs	127,994	68,338
	1,737,559	**750,558**
The average number of employees during the year was as follows:		
IT support	23	20
Administration	4	4
	27	**24**

5. **OPERATING (LOSS)/PROFIT**

The operating loss (2019 - operating profit) is stated after charging/(crediting):

	Year ended 31/3/20 £	Period 18/4/18 to 31/3/19 £
Depreciation - owned assets	1,487	776
Auditors' remuneration	5,500	5,500
Foreign exchange differences	**631,781**	**(283,480)**

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	Year ended 31/3/20 £	Period 18/4/18 to 31/3/19 £
Interest on late paid tax	103	-
Interest payable	362,486	114,692
	362,589	**114,692**

7. **TAXATION**

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	Year ended 31/3/20 £	Period 18/4/18 to 31/3/19 £
Current tax: UK corporation tax	-	76,676
Tax on (loss)/profit	**-**	**76,676**

8. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 April 2019	**11,880**
Additions	2,290
At 31 March 2020	**14,170**
DEPRECIATION	
At 1 April 2019	**9,933**
Charge for year	1,487
At 31 March 2020	**11,420**
NET BOOK VALUE	
At 31 March 2020	**2,750**
At 31 March 2019	**1,947**

9. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 April 2019 and 31 March 2020	8,027,329
NET BOOK VALUE	
At 31 March 2020	**8,027,329**
At 31 March 2019	**8,027,329**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Birlasoft Solutions GmbH (formerly KPIT Solutions GmbH)
Registered office: Detmolder Str. 235 - 33605 Bielefeld
Nature of business: IT services

Class of shares:	%
Ordinary	holding
	100.00

	2020 £	2019 £
Aggregate capital and reserves	(97,610)	252,616
Loss for the year/period	**(351,300)**	**(360,482)**

Birlasoft Solutions Limited is acting as a 'Guarantor'. As per the agreement the guarantor shall pay all such amounts payable by Birlasoft Solutions Gmbh (formerly KPIT Solutions GmbH) as though the guarantor instead of Birlasoft Solutions Gmbh (formerly KPIT Solutions GmbH was expressed to be the principal debtor.

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	3,735,784	4,706,303
Amounts owed by group undertakings	3,525,762	2,768,342
Other debtors	313,794	921,234
	7,575,340	**8,395,879**

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Amounts owed to group undertakings	4,929,209	4,063,912
Taxation and social security	267,459	407,240
Other creditors	481,318	1,220,752
	5,677,986	**5,691,904**

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Amounts owed to group undertakings	10,662,781	10,745,578

Birlasoft Solutions Inc (formerly KPIT Infosystems USA) have given a loan to Birlasoft Solutions Limited on 4 December 2018, for its investment capital requirements. Birlasoft Solutions Limited shall be liable to pay interest at 6 months LIBOR on the amount due within 15 days of end of each financial year of Birlasoft Limited India. Birlasoft Solutions Limited shall repay the entire loan within a period not exceeding thirty-six (36) months from the date the loan is given.

The loan balance outstanding at the end of the period is £8,808,183.

Birlasoft Solutions France (formerly KPIT Technologies France) have given a loan to Birlasoft Solutions Limited on 17 December 2018, for its working g capital requirements. Birlasoft Solutions Limited shall be liable to pay interest at 6 months LIBOR on the amount due within 15 days of end of each financial year of Birlasoft Limited India. Birlasoft Solutions Limited shall repay the entire loan within a period not exceeding thirty-six (36) months from the date the loan is given.

The loan balance outstanding at the end of the period is £1,854,598.

13. **PROVISIONS FOR LIABILITIES**

	2020 £	2019 £
Deferred tax	597	597

	Deferred tax £
Balance at 1 April 2019	**597**
Balance at 31 March 2020	**597**

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
500,000	Ordinary	1	500,000	500,000

15. **RESERVES**

	Retained earnings £
At 1 April 2019	326,391
Deficit for the year	(501,929)
At 31 March 2020	**(175,538)**

16. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group, other than those described in (Note. 12].

17. ULTIMATE CONTROLLING PARTY

The ultimate controlling party and ultimate and immediate parent company is Birlasoft Limited, a company registered in India.

Birlasoft Limited is the parent undertaking of the only group for which consolidated financial statements are prepared. These financial statements may be obtained by the public from Birlasoft Limited India, Plot 35 & 6, Rajiv Gandhi InfoTech Park, Hinjewadi, Pune - 411 057, India.

Trading and Profit and Loss Account

For the year ended 31 March 2020

	Year ended 31/3/20		Period 18/4/18 to 31/3/19	
	£	£	£	£
Sales		**9,161,307**		**3,555,237**
Cost of sales				
Purchases	5,334,176		1,911,612	
Wages	1,181,997		577,243	
Social security	117,855		58,907	
Sub contractors	1,293,797		524,001	
		7,927,825		**3,071,763**
GROSS PROFIT		**1,233,482**		**483,474**
Other income				
Sundry receipts	100	-		
Exchange gains	-		283,480	
		100		**283,480**
		1,233,582		**766,954**
Expenditure				
Wages	427,568		104,977	
Social security	10,139		9,431	
Rent	27,990		13,923	
Insurance	5,954		-	
Office expenses	5,551		55	
Advertising	25,646		-	
Travelling	148,989		68,393	
Repairs and renewals	3,038		-	
Staff welfare	817		1,668	
Recruitment expenses	-		6,992	
Sundry expenses	80		1,206	
Accountancy	-		2,650	
Subscriptions	26,026		-	
Professional fees	5,774		33,544	
Legal fees	1,714		-	
Auditors' remuneration	5,500		5,500	
Foreign exchange losses	631,781		-	
Bad debts	44,537		-	
		1,371,104		**248,339**
	(137,522)		**518,615**	
Finance costs				
Bank charges	331		80	
Interest on late paid tax	103		-	
Interest payable	362,486		114,692	
		362,920		**114,772**
Depreciation				
Fixtures and fittings		1,487		776
NET (LOSS)/ PROFIT		**(501,929)**		**403,067**

Birlasoft Solutions France

(Formerly KPIT Technologies France)
Registered Office: 19 boulevard Malesherbes 75008 Paris, France.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present their Fourteenth report on the operations of the Company together with the audited accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 Euro	2018-19 Euro
Total Income	4,584,813	3,843,283
Net Profit / (Loss) for the year	498,065	367,672

Operations

During the year under review, the total income of the Company increased by 19.29% resulting in increase of net profit by 35.47 %.

Name Change

During the year under review, the name of the Company was changed from KPIT Technologies France to Birlasoft Solutions France.

Change in Management

During the year under review, Mr. Dharmander Kapoor was appointed as a Director and Mr. Anjan Lahiri & Mr. Rajeev Gupta, Directors of the Company resigned from their positions. Further, Mr. Shreeranganath Kulkarni is also appointed as a Director w.e.f. April 16, 2020.

Audit

The Company is required by the local laws to have an independent audit firm to audit the books of accounts of the Company and to issue a report to the shareholders. Therefore, the Company appointed KPMG S.A. as auditors to conduct the audit and the audit report issued by the auditors is attached with the accounts of the Company.

For and on behalf of the Board of Directors
Birlasoft Solutions France

London
May 11, 2020

Venkatarama Bheemeshwar Rao Adavikolanu
Director

Auditors' report on the financial statements

As at 31 March 2020

Dear Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Birlasoft Solutions France S.A.S. for the year ended March 31, 2020. These financial statements were approved by the Board of Directors on April 17, 2020 based on the information available at that date and in the evolving context of the Covid-19 pandemic.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 March 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1st April 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments

In accordance with the requirements of articles L.823-9 and R.823-7of the French Commercial Code ("Code de commerce") relating to the justification of our assessments, we inform you that the most important assessments made by us according to our professional judgment focused on the appropriateness of the accounting principles used and the presentation of financial statements taken as a whole.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the context described above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the documents with respect to the financial position and the financial statements provided to Shareholders.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of thefinancial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Amiens, on the 11 May 2020

Balance Sheet
As at 31 March 2020

(Amount in Euro)

	Current Year 31 March 2020			Past Year 31 March 2019
	Brut	**Depr.&**	**Net**	**Net**
ASSETS				
Fixed assets				
Concessions, patents and similar rights	**23 000,00**	**23 000,00**		
Other tangible fixed assets	45 729,38	43 522,49	2 206,89	9 455,69
Loans	2 077 500,01		2 077 500,01	2 370 607,05
Other fixed assets	9 230,80		9 230,80	18 511,66
TOTAL (I)	**2 155 460,19**	**66 522,49**	**2 088 937,70**	**2 398 574,40**
Current assets				
Trade and related accounts	**3 888 796,42**		**3 888 796,42**	**1 086 836,98**
Other receivables				
- Debtors suppliers	36 004,12		36 004,12	976,32
- State, turnover tax	3 911,95		3 911,95	11 675,31
- Other	1 132,73		1 132,73	486,13
Cash	1 172 275,41		1 172 275,41	989 924,51
Prepaid expenses	1 055 846,68		1 055 846,68	38 533,72
TOTAL (II)	**6 157 967,31**		**6 157 967,31**	2 128 432,97
Charges to be spread over several periods (III)				
Premium for redemption of bonds (IV)				
Unrealized exchange losses (V)				
TOTAL ASSETS (0 à V)	**8 313 427,50**	**66 522,49**	**8 246 905,01**	**4 527 007,37**

Equity and Liabilities
As at 31 March 2020

(Amount in Euro)

	31 March 2020	31 March 2019
Shareholders' equity		
Share capital (paid-up capital : 100 000,00) 100 000,00	100 000,00	
Legal reserve	14 987,32	14 987,32
Retained (profits / losses) brought forward merger2 637 298,73	2 269 626,62	
Net income or loss of the tax year	**498 065,26**	**367 672,11**
TOTAL(I)	**3 250 351,31**	**2 752 286,05**
TOTAL(II)		
Provisions for liabilities and charges		
TOTAL (III)		
Loans and debts		
- Bank overdrafts	898,71	
Other financial borrowing and debts		
Trade notes and related accounts payable	1 782 767,66	1 357 922,43
Tax payable and social liabilities		
- Staff	106 426,60	92 705,44
- Payroll taxes	138 577,41	65 855,80
- State, profit tax	142 145,00	20 255,00
- State, turnover tax	535 180,42	140 341,56
- Other taxes	6 908,29	21 673,88
Other debts	99 889,41	19 743,46
Prepaid income	2 183 760,20	56 223,75
TOTAL(IV)	**4 996 553,70**	**1 774 721,32**
TOTAL LIABILITIES (I à V)	**8 246 905,01**	**4 527 007,37**

Income Statement
As at 31 March 2020

(Amount in Euro)

	Current Year 31 March 2020			Past Year 31 March 2019	Variation in 12 months (12/12)
	France	**Export**	**Total**	**Total**	**Variation**
Sales of manufactured services	2 095 340,56	2 389 102,39	4 484 442,95	3 748 766,71	735 676
Net turnover	2 095 340,56	2 389 102,39	4 484 442,95	3 748 766,71	735 676
Recaptures on deprecations and reserves, expense transfer			98 244,00	91 972,41	6 272
Other operating income			2 126,41	2 544,01	-418
Total operating income			**4 584 813,36**	**3 843 283,13**	**741 530**
Other purchases and external expenses			2 640 315,79	2 375 586,92	264 729
Taxes and assimilated payments			19 168,23	33 241,41	-14 073
Salaries and wages expenses			865 463,67	730 803,62	134 660
Social security expenses			400 825,17	316 026,08	84 799
Operating allowances on fixed assets : depreciation allowances			2 669,35	11 149,67	-8 480
Other expenses			497,86	107,95	390
Total operating expenses			**3 928 940,07**	**3 466 915,65**	**462 025**
OPERATING RESULT			**655 873,29**	**376 367,48**	**279 506**
Other holdings and capitalized receivables			69 447,07	51 559,07	17 888
Profits on foreign exchange			34,18	3 715,45	-3 681
Total financial income			**69 481,25**	**55 274,52**	**14 207**
Interests and assimilated expenses			6 440,00	1 385,00	5 055
Loss on foreign exchange			11 128,83	35,15	11 093
Total financial expenses			**17 568,83**	**1 420,15**	**16 148**
FINANCIAL RESULT			**51 912,42**	**53 854,37**	**-1 942**
Ordinary result before tax			**707 785,71**	**430 221,85**	**277 564**
Extraordinary capital gains			2 000,00	714,94	1 286
Total extraordinary income			**2 000,00**	**714,94**	**1 286**
Extraordinary operating losses				108,36	-108
Extraordinary capital losses			6 798,45	457,32	6 341
Total extraordinary expenses			**6 798,45**	**565,68**	**6 233**
EXTRAORDINARY RESULT			**-4 798,45**	**149,26**	**-4 947**
Income tax			204 922,00	62 699,00	142 223
Total Income			**4 656 294,61**	**3 899 272,59**	**757 022**
Total expenses			**4 158 229,35**	**3 531 600,48**	**626 629**
NET RESULT			**498 065,26**	**367 672,11**	**130 393**

Balance Sheet - Assets
As at 31 March 2020

(Amount in Euro)

	Current Year 31 March 2020 Brut	Depr.&	Net	Past Year 31 March 2019 Net
Fixed assets				
Concessions, patents and similar rights**23 000,00**	**23 000,00**			
CONCESS.BREVETS LICENCES	23 000,00		23 000,00	23 000,00
AMORT.CONC.BREVETS LICENCE		23 000,00	-23 000,00	-23 000,00
Other tangible fixed assets	**45 729,38**	**43 522,49**	**2 206,89**	**9 455,69**
Others installation and fiting				11 872,91
Office and computer equipement	29 929,88		29 929,88	27 710,88
Office equipment	15 799,50		15 799,50	15 799,50
Amortisation of others instal				-4 840,62
Amortisation of office and comput		27 968,30	-27 968,30	-27 112,74
AMORT. MOBILIER		15 554,19	-15 554,19	-13 974,24
Loans	**2 077 500,01**		**2 077 500,01**	**2 370 607,05**
AUTRES PRETS				350 000,00
LOAN UK 1	2 000 000,00		2 000 000,00	2 000 000,00
INT COUR/PRETS				3 107,04
INT COURUS PRET UK	77 500,01		77 500,01	17 500,01
Other fixed assets	**9 230,80**		**9 230,80**	**18 511,66**
Deposit	9 230,80		9 230,80	18 511,66
TOTAL (I)	**2 155 460,19**	**66 522,49**	**2 088 937,70**	**2 398 574,40**
Current assets				
Trade and related accounts	**3 888 796,42**		**3 888 796,42**	**1 086 836,98**
Customers and related accounts	3 630 916,78		3 630 916,78	886 244,08
Customers - Invoices to be issued	257 879,64		257 879,64	200 592,90
Other receivables				
- Debtors suppliers	**36 004,12**		**36 004,12**	**976,32**
Suppliers and related accounts -	36 004,12		36 004,12	976,32
- State, turnover tax	**3 911,95**		**3 911,95**	**11 675,31**
TVA DED/ ACH PREST IMM 20%				3 875,31
VAT - deductible	990,26		990,26	382,23
VAT acc on invoice to be recei	2 921,69		2 921,69	7 417,77
- Other	**1 132,73**		**1 132,73**	**486,13**
Others debtors	863,42		863,42	
NDF ASHISH MUDDALKAR				486,13
NDF SURESH VEMULAPALLI	269,31		269,31	
Cash	**1 172 275,41**		**1 172 275,41**	**989 924,51**
Bank SG				1 995,59
Bank HSBC	1 172 275,41		1 172 275,41	987 928,92
Prepaid expenses	**1 055 846,68**		**1 055 846,68**	**38 533,72**
Prepaid expenses	5 417,90		5 417,90	1 988,28
Prepaid expenses ss traitance	590,40		590,40	36 545,44
PREPAID EXPENSES POC	1 049 838,38		1 049 838,38	
TOTAL (II)	**6 157 967,31**		**6 157 967,31**	**2 128 432,97**
Charges to be spread over several periods (III)				
Premium for redemption of bonds (IV)				
Unrealized exchange losses (V)				
TOTAL ASSETS (0 à V)	**8 313 427,50**	**66 522,49**	**8 246 905,01**	**4 527 007,37**

Balance Sheet - Equity and Liabilities
As at 31 March 2020

(Amount in Euro)

	31 March 2020	31 March 2019
Shareholders' equity		
Share capital (paid-up capital : 100 000,00)	100 000,00	100 000,00
Share capital	100 000,00	100 000,00
Legal reserve	**14 987,32**	**14 987,32**
Legal Reserves	14 987,32	14 987,32
Retained (profits / losses) brought forward merger	**2 637 298,73**	**2 269 626,62**
Profit or loss carried forward	2 637 298,73	2 269 626,62
Net income or loss of the tax year	**498 065,26**	**367 672,11**
TOTAL(I)	**3 250 351,31**	**2 752 286,05**
TOTAL(II)		
Provisions for liabilities and charges		
TOTAL (III)		
Loans and debts		
- Bank overdrafts	**898,71**	
Bank SG	898,71	
Other financial borrowing and debts		
Trade notes and related accounts payable	**1 782 767,66**	**1 357 922,43**
Suppliers and related accounts	1 603 754,17	1 266 355,19
Sup - invoices to be received	17 530,42	44 506,85
Ceedit note KPINDE UNBILLED	161 483,07	47 060,39
Tax payable and social liabilities		
- Staff	**106 426,60**	**92 705,44**
Staff remuneration payable		21 708,89
Accrued paid holidays	67 930,49	38 247,03
Accrued salary	33 582,07	29 705,79
Accrued paid RTT	4 914,04	3 043,73
- Payroll taxes	**138 577,41**	**65 855,80**
Social security	62 676,00	16 447,00
Others social agencies (capimmec)	11 830,60	6 449,55
Others social agencies (prévoyanc	7 994,51	2 256,42
Others social agencies (mutuelle)		3 127,53
Acc soc charge on paid holida	33 965,24	19 123,52
Social agencies - Accrued amounts	16 791,04	14 852,92
Other accrued social agencies	2 863,00	2 077,00
Acc soc charge on paid RTT	2 457,02	1 521,86
- State, profit tax	**142 145,00**	**20 255,00**
Income tax	142 145,00	20 255,00
- State, turnover tax	**535 180,42**	**140 341,56**
Turnover tax VAT payable	13 619,00	39 449,00
TVA coll 20%	514 188,92	73 102,14
TVA COLL / ACH PREST IMM 2		3 875,31
VAT Accrued on customers not yet	7 372,50	23 915,11
- Other taxes	**6 908,29**	**21 673,88**
Withdrawal at source	6 170,29	3 435,88
Others taxes Accrued amount payab	738,00	18 238,00
Other debts	**99 889,41**	**19 743,46**
Customers and related accounts -	93 151,55	7 200,00

(Amount in Euro)

	31 March 2020	31 March 2019
NDF CAROLE BRUN	10,20	1 273,14
NDF SUDHIR BHISE	1 509,00	
NDF VIRAL JESALPURA		2 104,92
NDF RIHAM LOTFY	90,00	
NDF MASKATI Abbas	1 647,40	1 500,00
NDF Pawan Kr.Mishra	1 433,00	1 419,00
NDF NEHA AGARWAL		832,80
NDF TULJAPURKAR		5 413,60
NDF BAKSHI SALMAN	1 500,00	
NDF UMESH KULKARNI	486,46	
NDF SPANDAN KONDEPUDI	61,80	
Prepaid income	**2 183 760,20**	**56 223,75**
Deferred income ss traitance	1 144,02	56 223,75
Deferred income POC	2 182 616,18	
TOTAL(IV)	**4 996 553,70**	**1 774 721,32**
TOTAL LIABILITIES (I à V)	**8 246 905,01**	**4 527 007,37**

Income Statement

As at 31 March 2020

(Amount in Euro)

	Current Year 31 March 2020			Past Year 31 March 2019	Variation in 12 months (12/12)
	France	Export	Total	Total	Variation
Sales of manufactured services	2 095 340,56	2 389 102,39	4 484 442,95	3 748 766,71	735 676
Sales of services 20%	1 194 997,19		1 194 997,19	1 242 979,94	-47 982
PRESTATION LEGRAND 20%		895 640,97	895 640,97	700 642,91	194 998
Sales 0 %		2 153 187,82	2 153 187,82	1 688 530,47	464 657
Frais refacturation 20%	4 702,40		4 702,40	69 413,06	-64 711
Recharging cost 0 %				1 544,77	-1 544
Recharging cost inde		235 914,57	235 914,57	45 655,56	190 259
Net turnover	**2 095 340,56**	**2 389 102,39**	**4 484 442,95**	**3 748 766,71**	**735 676**
Recaptures on deprecations and reserves, expense transfer			**98 244,00**	**91 972,41**	**6 272**
Orther avantage salaries			8 244,00	91 972,41	6 272
Other operating income			**2 126,41**	**2 544,01**	**-418**
Others current income			2 126,41	2 544,01	-418
Total operating income			**4 584 813,36**	**3 843 283,13**	**741 530**
Other purchases and external expenses			**2 640 315,79**	**2 375 586,92**	**264 729**
Operationnal subcontracting - KP			2 147 237,73	1 808 043,55	339 194
EXPENSES KPIT INDE			4 702,40	70 957,83	-66 255
EXPENSES KPUK				537,00	-537
EXPENSES KPIT USA			48 136,91	46 006,35	2 130
FOURN.NON STOCK.(ELECT.)			167,14	577,14	-410
Non invetory materials and sup			1 081,95	730,43	351
Non inventory materials			238,41	314,25	-76
Administrative furniture and mate			599,39	455,70	144
SOUS TRAITANCE KPIT UK			36 661,78	13 888,83	22 773
G & A COSTS KPIT INDIA			62 193,00	38 048,80	24 145
Rent and rental charges(offices)			53 742,02	67 210,18	-13 468
Other rent costs			1 693,91	9 710,90	-8 017
Maintenance and repairs			1 170,00	4 635,00	-3 465
Insurance			1 005,27	1 254,9	-249
Employe interim				19 240,23	-19 240
Fees			44 475,97	44 752,50	-277
Others fees			5 877,28	4 977,0	900
HONORAIRES OPENMIX GRISI			17 625,00	70 500,00	-52 875
Auditor Fees			8 274,36	8 331,60	-57
Lawyer Fees			27 740,88	19 022,50	8 718
Other fees			5,88	6,85	-1
Legal publications				464,66	464
Other transports			700,15	1 198,33	-498
Travel, external missions			148 087,19	117 998,35	30 089
Missions				175,45	-175
Postal and telecommunications			692,39	626,11	66
Costs mobil SFR				464,61	-464
FRAIS INTERNET			16 154,47	12 929,86	3 225
Bank and similar services			11 587,65	12 992,61	-1 405
Taxes and assimilated payments			**19 168,23**	**33 241,41**	**-14 073**
Taxes on wages and salaries (taxe			397,00	4 791,00	-4 394
Taxes on wages and salaries (form			4 934,23	3 466,41	1 468
Others taxes (taxe professionnell			13 837,00	8 883,00	4 954
WHITHOLDING TAX EGYPT MALA				16 101,00	-16 101
Salaries and wages expenses			**865 463,67**	**730 803,62**	**134 660**
Wages and salaries			722 109,10	612 822,84	109 287

Holiday pay - accruals	29 683,44	-6 870,69	36 553
RTT pay accruals	1 870,30	-769,72	2 639
Other salaries		41 650,00	-41 650
Other avantages	4 502,26	3 441,89	1 061
AVANTAGE EN NATURE LOGEMEN	103 422,29	91 972,41	11 450
Accrued bonus VPI	10 551,28	-18 118,11	28 669
PROV PRIME RETENTION	-6 675,00	6 675,00	-13 350
Social security expenses	**400 825,17**	**316 026,08**	**84 799**
Social security	214 624,19	186 391,78	28 233
Others social contributions (capi	86 190,89	76 061,94	10 129
Others social contributions (asse	34 505,01	28 988,43	5 517
Others social contributions (prev	10 695,45	9 560,67	1 135
Others social contributions (mutu	20 107,99	13 736,91	6 371
Accrued soc contr / paid RTT	935,16	-384,86	1 319
Accrued soc contr / paid holid	14 841,73	-3 435,34	18 276
Accrued soc contrib	5 275,60	-9 058,98	14 333
PROV CH/PRIME DE RETENTION	-3 337,50	3 337,50	-6 674
Other benefits costs	2 794,40	2 992,1	-198
Indèmnité de repas	10 471,50	7 378,38	3 093
Other staff cost	1 703,75	1 170,03	533
AUTRES DEPENSES DE PERSONN	2 017,00	44,50	1 973
CICE		-757,00	757
Operating allowances on fixed assets : depreciation allowances	**2 669,35**	**11 149,67**	**-8 480**
Depreciation of intangible off		5 238,88	-5 238
Depreciation of tangible assets	2 669,35	5 910,79	-3 241
Other expenses	**497,86**	**107,95**	**390**
Other current operating charges	497,86	86,72	411
Diff de change commerciale		21,23	-21
Total operating expenses	**3 928 940,07**	**3 466 915,65**	**462 025**
OPERATING RESULT	**655 873,29**	**376 367,48**	**279 506**
Other holdings and capitalized receivables	**69 447,07**	**51 559,07**	**17 888**
PROD.DES AUTRES IMMO FINAN	69 447,07	51 559,07	17 888
Profits on foreign exchange	34,18	3 715,45	-3 681
Exchange gains	34,18	3 715,45	-3 681
Total financial income	**69 481,25**	**55 274,52**	**14 207**
Interests and assimilated expenses	**6 440,00**	**1 385,00**	**5 055**
INTEREST WHITHOLDING EGYPT	6 440,00	1 385,00	5 055
Loss on foreign exchange	**11 128,83**	**35,15**	**11 093**
Foreing exchanges losses	11 128,83	35,15	11 093
Total financial expenses	**17 568,83**	**1 420,15**	**16 148**
FINANCIAL RESULT	**51 912,42**	**53 854,37**	**-1 942**
Ordinary result before tax	**707 785,71**	**430 221,85**	**277 564**
Extraordinary capital gains	**2 000,00**	**714,94**	**1 286**
EXCEPT PRODTS CESS ELEM AC	2 000,00	714,94	1 286
Total extraordinary income	**2 000,00**	**714,94**	**1 286**
Extraordinary operating losses		**108,36**	**-108**
EXCEPT DONS LIBERALITES		108,36	-108
Extraordinary capital losses	**6 798,45**	**457,32**	**6 341**
net value sold assets	6 798,45	457,32	6 341
Total extraordinary expenses	**6 798,45**	**565,68**	**6 233**
EXTRAORDINARY RESULT	**-4 798,45**	**149,26**	**-4 947**
Income tax	**204 922,00**	**62 699,00**	**142 223**
Income tax	204 922,00	62 699,00	142 223
Total Income	**4 656 294,61**	**3 899 272,59**	**757 022**
Total expenses	**4 158 229,35**	**3 531 600,4**	**626 629**
NET RESULT	**498 065,26**	**367 672,11**	**130 393**

Appendices
As at 31 March 2020

In the balance sheet before distribution for the financial year ended 31/03/2020 of which the total is 8 246 905,01 Euros .

And to the profit and loss account for the year showing a profit of 498 065,26 Euros, presented in list form.

The financial year has a duration of 12 months, covering the period from 01/04/2020 to 31/03/2020.

The following notes and tables form an integral part of the annual accounts.

The previous financial year had a duration of 12 months covering the period from 01/04/2018 to 31/03/2019.

1- HIGHLIGHTS OF THE YEAR

1.1 COVID-19 CRISIS

Operations began to be affected by COVID-19 in the first quarter of the financial year 2020/2021, with few projects in progress, which will offset, if any, the negative impact on its financial statements as at March 31, 2021.

At the date of the accounts closing of the financial statements at March 31, 2020 of the company, the management is not aware of significant uncertainties which calls into question the valuation of assets recorded in the company's balance sheet and the capacity of the entity to continue its exploitation.

The Company closely monitors any significant changes in economic conditions.

2- ACCOUNTING POLICIES AND RULES

The general accounting conventions have been applied in accordance with the principle of prudence, in line with the basic assumptions:

- going concern basis,

- consistency of accounting policies from one year to the next,

- independence of financial years,

and in accordance with the general rules for the preparation and presentation of annual financial statements in compliance with the ANC 2014-03 accounting regulation.

The basic method used for the valuation of items recorded in the accounts is the historical cost method.

The main methods used are as follows:

2.1 INTANGIBLE AND TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at their acquisition or production cost, taking into account the costs necessary to bring these assets into a usable condition, and after deducting trade discounts, rebates and payment discounts obtained.

Interest on borrowings specific to the production of fixed assets is not included in the cost of production of these fixed assets.

Depreciation is calculated on a straight-line or declining balance basis over the expected useful life of the asset:

Computer programs	3 years
Fixings, fittings, installations	8 to 10 years
Office and computer equipment	3 years
Furniture	10 years
Deposit and suretyship	NA

2.2 FINANCIAL FIXED ASSETS AND MARKETABLE SECURITIES

The gross value is the purchase cost excluding incidental expenses. When the inventory value is lower than the gross value, an impairment loss is recognized for the amount of the difference.

2.3 RECEIVABLES AND PAYABLES

Receivables and payables are valued at their nominal value. Depreciation is applied when the inventory value is lower than the book value.

3- ADDITIONAL INFORMATION RELATING TO THE BALANCE SHEET AND INCOME STATEMENT

3.1 STATEMENT OF FIXED ASSETS AND DEPRECIATION

State of fixed assets

	Gross value of fixed assets at the beginning of the year	Increases Re-evaluation during the year	Acquisitions, Creations, item-to-item transfers
Other intangible assets	23,000		
Other facilities, fixtures and fittings	11,873		
Office equipment, computers, furniture	43,510		2,219
TOTAL	**55,383**		**2,219**
Loans and other financial assets	67,792		
TOTAL	**2,389,119**		**67,792**
GRAND TOTAL	**2,467,502**		**70,011**

	Decreases By transfer from item to item	By cession or de-comissioning	Gross Value Fixed Assets end of the year	Statutory revaluation Original Value end of the year
Other intangible assets			23,000	
Other facilities, fixtures and fittings		11,873		
Office equipment, computers, furniture			45,729	
TOTAL		**11,873**	**45,729**	
Loans and other financial assets		370,180	2,086,731	
TOTAL		**370,180**	**2,086,731**	
GRAND TOTAL		**382,053**	**2,155,460**	

Depreciation statements

	Situations and movements during the year			
	Beginning of fiscal year	Endowments fiscal year	Outgoing items Revival	End of fiscal year
Other intangible assets	23,000			23,000
Other facilities, fixtures and fittings	4,841	234	5,074	
Office equipment, computers, furniture	41,087	2,436		43,522
TOTAL	**45,928**	**2,670**	**5,074**	**43,522**
GRAND TOTAL	**68,928**	**2,670**	**5,074**	**66,522**

	Breakdown of depreciation charges for the year			Movements affecting the derogatory depreciation	
	Straight-line	Degressive	Exception.	Endowments	Revivals
Other facilities, fixtures and fittings	234				
Office equipment, computers, furniture	2,436				
TOTAL	2,670				
GRAND TOTAL	2,670				

3.2 MATURITY OF RECEIVABLES AND PAYABLES

RECEIVABLES STATEMENT	Gross amount	Up to one year	Over a year
Loans	2 077 500	77 500	2 000 000
Other financial fixed assets	9 231		9 231
Other trade receivables	3 888 796	3 888 796	
- V.A.T	3 912	3 912	
Miscellaneous debtors	37 137	37 137	
Prepaid expenses	1 055 847	1 055 847	
GRAND TOTAL	**7 072 423**	**5 063 192**	**2 009 231**
Repayment of loans during the year	350 000		

STATE OF DEBTS	Gross amount	Up to one year	Between 1 and 5 years	More than 5 years
Borrowings and debts with credit institutions :				
- up to one year	899	899		
Suppliers and related accounts	1 782 768	1 782 768		
Personnel and related accounts	106 427	106 427		
Social security and other social agencies	138 577	138 577		
State and other public authorities :				
- Income Taxes	142 045	142 045		
- V.A.T	535 180	535 180		
- Other taxes and duties	6 908	6 908		
Other debts	99 889	99 889		
Deferred income	2 183 760	2 183 760		
GRAND TOTAL	**4 996 554**	**4 996 554**		

3.3 Income and credit notes receivable

Amount of income and assets receivable included in the following balance sheet items	Amount incl. VAT
Other financial fixed assets	77 500
Trade receivables and related accounts	257 880
TOTAL	**335 380**

3.4 Accrued expenses and credit notes to be established

Amount of accrued expenses and credit notes to be established included in the following balance sheet items	Amount incl. VAT
Trade payables and related accounts	179 013
Tax and social security liabilities	178 241
TOTAL	**357 254**

3.5 Prepaid expenses and income

	Charges	Products
Operating expenses / Income	1.055.847	2.183.760
TOTAL	**1.055.847**	**2.183.760**

Prepaid expenses correspond to services invoiced by suppliers but not yet performed. Deferred income corresponds to services invoiced but not yet performed.

3.6 Composition of share capital

	Number	Nominal value
shares making up the share capital at the beginning of the financial year	100 000	1,00
shares making up the share capital at the end of the financial year	100 000	1,00

3.7 Breakdown of net sales

Breakdown by sector of activity	Amount
Services	4 484 443
TOTAL	**4 484 443**

Breakdown by geographic market	Amount
France	2 095 341
Foreign	2 389 102
TOTAL	**4 484 443**

4- FINANCIAL LIABILITIES AND OTHER INFORMATION

4.1 Intra-group benefits

The company BIRLASOFT Limited invoices a subcontracting service to the company BIRLASOFT SOLUTIONS France SAS for the IT development carried out in India. The rate of invoicing is 65% of the turnover before tax.

Subcontracting services provided by other Group subsidiaries are invoiced using the Cost+ 5% method.

4.2 Fees paid to the Statutory Auditors

The Statutory Auditors' fees amounted to €7,500 excluding VAT in respect of their legal assignment.

4.3 Average number of employees

	Salaried employees	Personnel made available to the company
Executives		10
Employees		1
TOTAL		**11**

4.4 Commitments in respect of pensions, retirement and similar commitments

Commitments	Senior staff	Others	Provisions
Retirement indemnities and other benefits for active employees		53 060,01	
TOTAL		**53 060,01**	

They are calculated on the basis of the "Syntec" collective bargaining agreement, changes in remuneration and demographics at 31 March 2020 with a discount rate of 1.42%, including social security charges.

4.5 Revenue recognition

Revenues are recognized using the percentage-of-completion method with revenue recognized based on the billable stage of completion.

4.6 Identity of the parent company consolidating the company's accounts

BIRLASOFT Limited
Plot N° 35/36
Rajiv Gandhi Infotech Park
Phase 1, MIDC Hinjawadi
Pune - 411057 India.

Birlasoft Solutions GmbH

(Formerly KPIT Solutions GmbH)
Registered Office: Detmolder Straße 235 33605 Bielefeld, Germany.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended on March 31, 2020.

Financial Results

Particulars	2019–20 (EURO)	2018–19 (EURO)
Total Income	12,604,395	8,601,097
Net Profit / (Loss) for the period	(401,069)	(422,304)

Operations

During the year under review, total income of the Company was increased by 46.54% but due to increase in cost the company incurred losses.

Name Change

During the year under review, the name of Company was changed from KPIT Solutions GmbH to Birlasoft Solutions GmbH.

Management

Mr. Venkatarama Bheemeshwar Rao Adavikolanu is the Managing Director of the Company.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Solutions GmbH

London
April 24, 2020

Venkatarama Bheemeshwar Rao Adavikolanu
Managing Director

1. Acceptance of the engagement

1.1 Client and definition of the engagement

The management of

Birlasoft Solutions GmbH,
Bielefeld
hereinafter also abbreviated to "Birlasoft Solut"-or "Company" -

engaged us to prepare the annual financial statements as at 31 March 2020 on the basis of the accounting records that we prepared, as well as the additional vouchers provided to us, which we have not audited in accordance with the terms of our engagement, taking into account the information provided to us in accordance with the statutory requirements and in accordance with the instructions by the client within this framework to exercise existing accounting options. We performed this engagement to prepare the annual financial statements with no assessments from March to April 2020 in our office in Munich.

Our engagement to prepare the annual financial statements did not comprise any activities over and above the engagement type and thus no extended responsibilities as tax advisory firm.

The duty to prepare the annual financial statements was the responsibility of the management of the company that engaged us to prepare the financial statements which was required to decide on the exercise of all accounting options and legislative provisions related to preparation of the financial statements.

We informed our client about those matters that resulted in options and obtained from the client decisions relating to the exercise of material and formal accounting options (recognition, measurement and presentation options) and of management judgement.

This also applied to the decisions to be taken by our client in respect of the application of simplified preparation and publication options relating to the annual financial statements for small and medium-sized companies.

The company is a small corporation according to the size classes set out in § 267 of the Handelsgesetzbuch (HGB — German Commercial Code).

The size-related exemptions set out in §§ 267, 276, 288 and 274a of the Handelsgesetzbuch (HGB — German Commercial Code) were applied in preparing the annual financial statements.

Our engagement to prepare the annual financial statements comprised all activities necessary in order to prepare the annual financial statements legally required by the commercial law, comprising the balance sheet, income statement and notes to the financial statements, on the basis of the accounting record as well as the information obtained by us on recognition, presentation and measurement issues and the accounting policies required to be applied, including preparation of the closing entries.

As the preparation of a report on the preparation of the annual financial statements was agreed, but the concrete nature and scope of our reporting were not expressly defined in the agreements governing our engagement, we have reported on the scope and results of our act/vibes in accordance with customary professional standards with the meaning of the Verlautbarungen der Bundessteuerberaterkammer zu den Grundsätzen für die Erstellung von Jahresabschlüssen" (Pronouncement by the German Federal Chamber of Tax Advisers on the Principles for the Preparation of Annual Financial Statements) dated 12/13 April 2010.

On acceptance of the engagement it is received an assurance from our client that the documents and explanations necessary for the performance of the engagement would be provided to us in full.

General Engagement Terms

The Allgemeine Geschaftsbedingungen für Steuerberater und Steuerberatungsgesellschaft (General Engagement Terms for Tax Consultants) attached to this report, are decisive for the realization of the engagement and our responsibility, including those to third parties.

1.2 Performance of the engagement

In the course of the preparation of the annual financial statements and in our reporting on these preparation activities, we have compiled with the relevant standards of the legislation regulating our profession and our professional obligations, including the principles of independence, diligence, confidentiality and personal professional responsibility (§ 57 of the Steuerberatungsgesetz/StBerG —German Tax Advisory Services Act).

Irrespective of the nature of our engagement, preparation of the annual financial statements comprises the activities necessary In order to prepare the balance sheet and income statements required by law, as well as the notes to the financial statements and additional components of the financial statements, on the basis of the accounting records as well as the reformation obtained by us on the accounting policies to be applied, including preparation of the closing envies.

We informed our client about statutory deadlines governing the preparation. adoption and publication of the annual financial statements.

We observed the principles of costeffectiveness and materiality when preparing the annual financial statements.

Under the terms of the engagement issued to us, we complied with the statutory provisions for the preparation of annual financial statements and German Accepted Accounting Principles, Compiance with other statutory provisions and the detection and clarification of criminal offences, and of administrative offences outside the accounting system, were not the subject of our engagement.

Representation letter

The company provided us in writing, as requested, with the standard professional representation letter in respect of the accounting records, vouchers and inventory records as well as the information provided to us which we have stored in our files.

2. Basis of preparation of the annual financial statements

2.1 Accounting records and inventory records, information provided

The company is required by § 238 of the Handelsgesetzbuch (HGB — German Commercial Code) to keep accounting records.

The accounting was prepared using our IT systems. In accordance with a certificate issued by Ernst & Young GmbH on 13 March 2019, the DATEV eG - Kanzlei-Rechnungswesen' accounting software used for this purpose satisfies the requirements for proper financial accounting and preparation of the annual financial statements.

The asset accounting was prepared using our IT systems. In connection with a certificate issued by Ernst & Young GmbH on 15 February 2016 on the audit of the propriety of the 'Kanzlei-Rechnungswesen' software,the DATEV eG "Anlagenbuchführung" asset accounting software used for this purpose satisfies the requirements for proper asset accounting.

There were no significant organisational changes In the procedures used in the accounting system.

The management nominated the following persons as information providers:

- Mr. Ashish Satija
- Ms. Astrid Bethke
- Ms. Tania Husemann

All requested information, explanations and documentary evidence were readily provided by the management and the persons nominated as information providers.

2.2 Decisions on the exercise of options

The necessary decisions concerning the exercise of material and formal accounting options (recognition, measurement and presentation options, as well as management judgement) do not form part of the preparation of the annual financial statements. However, we made our client aware of the exercise of material and formal accounting options (recognition, measurement and presentation options, as well as management judgement) obtained our client's decisions on these matters and exercised the options in the course of preparing the financial statements exactly as directed by the business owner or the management.

The same applied to decisions on the application of simplified preparation and publication options relating to annual financial statements for smal and medium-sized companies.

In addition, we informed our client about statutory deadines governing the preparation, adoption and publication of the annual financial statements.

2.3 Findings on the basis of preparation of the annual financial statements

The annual financial statements were prepared using our IT systems. In accordance with a certificate issued by Ernst & Young GmbH on 15 February 2016, the DATEV eG, Nuremberg, 'Kanzlei-Rechnungswesen' accounting software used for this purpose satisfies the requirements for proper financial accounting and preparation of the annual financial statements.

We agreed any entries arising during the course of our annual financial statement preparation with the management of our client. The closing entries were prepared by the date of completion of our activities. The classification of the annual financial statements complies with the provisions of the Handelsgesetzbuch (HGB — German Commercial Code), and in particular with the provisions of if 266 and 275 of the HOB).

Changes in fixed assets are properly recorded in an inventory record.

The applicable measurement provisions of Commercial Law were observed in compliance with the going concern assumption. The measurement policies applied to the preceding annual financial statements were retained.

Adequate provisions and valuation allowances were recognised to take account of all risks existing at the balance sheet date that were identifiable by the date of preparation of the annual financial statements. Any such risks arising alter the balance sheet date are disclosed in the notes to the financial statements.

The notes to the financial statements contain the prescribed explanations on individual items of the income statement — it not already disclosed on the face of the income statement — as well as the other obligatory disclosures correctly and in full.

The individual items of the balance sheet and the income statement are presented in detail in the explanatory section.

Reference is made to more detailed explanations in the notes to the financial statements.

3. Legal and economic position

3.1 Legal position	
Company name:	Birlasoft Solutions GmbH
Legal form:	GmbH
Date of formation:	05/08/2003
Registered office:	Bielefeld
Address: Do:	Detmolder Str. 235 33605 Bielefeld
Entered in commercial register:	Handelsregister
Register court:	Bielefeld
No. of register court:	HRB 39769
Partnership agreement:	Valid in the version dated 21 May 2019
Financial year:	01 April to 31 March
Purpose of the company:	Trade with hardware and software, production and implementation of software as well as similar business. The company can deal with all transactions, which are sufficient to comply with the company purpose. The company can found branches and subsidiaries.
Subscribed capital:	25,000.00
Shareholder:	KPIT Infosystems Limited, Hurst (GB)
Management, representation:	Mr. Markus Waidelich. sole power of representation Mr. Venkatarama Bheemeshwar Rao Adavikolanu, sole power of representation
Power of attorney:	Mr. Amit Avinash Shave
Significant changes in the legal position after the closing date:	were not applicable

3.2 Tax position

Responsible tax office: Bielefeld-Innenstadt

Tax no.: 305/5845/0843

By virtue of its activities. the entity is subject to corporate income tax, trade tax and VAT.

The tax returns up to and including 2018 were filed with the tax office.The assessment notices were issued subject to review by a subsequent tax audit in accordance with § 164 of the Abgabenordnung (AO — German Tax Code).

3.3 Economic Position

3.3.1 Net assets

The presentation of the company's net assets derived from the balance sheet as at 31 March 2020 is shown in the following compared with the previous balance sheet date:

	Balance at 31/03/2020 TEUR	**%**	**Balance at 31/03/2019 TEUR**	**%**	**Changes In comp. to prior year TEUR**	**%**
ASSETS						
Intangible fixed assets	3.7	0.0	8.2	0.2	-4.5	-54.9
Tangible fixed assets	9.6	0.1	14.1	0.3	-4.5	-31.9
Inventories	280.2	3.5	340.9	8.3	-60.7	-17.8
Receivables	3,377.7	42.5	3316.4	80.7	61.3	1.8
Other property	345.7	4.3	393.4	9.6	-47.7	-12.1
Cash funds/ securities	3803.2	47.8	0.2	0.0	3,803.0	-
Prepaid expenses	23.9	0.3	37.9	0.9	-14.0	-36.9
Deficit not covered by equity	110.3	1.4 0.	0 0	.0 1	10.3	-
Total Assets	**7,954.2**	**100.0**	**4,111.1**	**100.0**	**3.843.1**	**93.5**

	Balance at 31/03/2020 TEUR	%	Balance at 31/03/2019 TEUR	%	Changes In comp. to prior year TEUR	%
LIABILITIES						
Equity	0.0	0.0	290.8	7.1	-290.8	-100.0
Provisions	556.8	7.0	1,632.9	39.7	-1,076.1	-65.9
Liabilities to Banks	0.0	0.0	24.2	0.6	-24.2	-100.0
Trade payables	1,079.0	13.6	1,143.7	27.8	-64.7	-5.7
Liabilities to affiliated companies	5,748.7	72.3	0.0	0.0	5,748.7	-
Other payables	267.2	3.4	342.0	8.3	-74.8	-21.9
Deferred income	302.5	3.8	677.5	16.5	-375.0	-55.4
Total Liabilities	**7,954.2**	**100.0**	**4,111.1**	**100.0**	**3,843.1**	**93.5**

Supplementary information on asset and capital structure ratios:

	EUR	**Fiscal Year Value**	**Previous Year Value**
Key figures concerning the financial situation			
Fixed assets	13.268.00		22,269.00
Balance sheet total	7,843,879.66		4,111,140.78
Ratio of fixed assets to total assets (%)		**(%) 0.17**	0.54
Inventories	280,158.80		340,940.13
Balance sheet total	7,843,879.66		4,111,140.78
Ratio of Inventories to total assets (%)		**(%) 3.67**	8.29
Equity		-110,283.21	290.786.16
Balance sheet total	7,843,879.66		4,111,140.78

	EUR	Fiscal Year Value	Previous Year Value
Equity ratio (%)		**-1.41**	7.07
Equity		-110,283.21	290,786.16
Fixed assets	13,288.00		22,269.00
Equity to fixed assets ratio (%)		**(%) -831.20**	1,305.79

3.3.2 Results of operations

The results of operations changed as follows compared with the previous year:

		01/04/2019 to 31/03/2020 TEUR	%	01/04/2018 to 31/03/2019 TEUR	%	Changes In comp. to prior year TEUR	%
	Sales	12548.3	100.0	8,390.6	100.0	4,157.7	49.6
+-	Changes in inventories	-60.8	-0.5	301.9	3.6	-362.7	-120.1
+	Other operating income	56.1	0.4	210.5	2.5	-154.4	-73.3
-	Cost of materials	8155.2	73.0	4,741.0	56.5	4,414.2	93.1
-	Personnel expenses	2.405.3	19.2	3.037.1	36.2	431.8	-20.8
-	Depreciation, amortisation and write-downs	107	0.1	24.8	0.3	-14.1	-56.9
-	Other operating expenses	1.360.8	10.8	1,508.2	18.0	-147.4	-9.8
+	Nat financial income	1.5	0.0	0.0	0.0	1.5	-
-	Net financial costs	12.4	0.1	1.9	0.0	10.5	552.6
-	Income tax expenses	0.0	0.0	0.2	0.0	-0.2	-100.0
	Profit after tax	**-399.3**	**-3.2**	**410.1**	**4.9**	**10.8**	**2.6**
-	Other taxes	1.7	0.0	12.2	0.1	-10.5	-86.1
	Net Income/loss	**-401.1**	**-3.2**	**422.3**	**-5.0**	**21.2**	**5.0**

Supplementary information on profitability and productivity:

	EUR	Fiscal Year Value	Previous Year Value
Key figures concerning the profit situation			
Net income/Net loss	-401.069.37		-422.304.46
Sales	12548,341 34		8,390.557.79
Return on sales		**(%) 4.20**	-5.03
Personnel expenses	2.405.340.14		3.037,092.56
Gross revenue for the period	12.487,559.94		8,692.497.92
Ratio of personnel expenses		**(%) 19.26**	34.94
Cost of materials	9,155,211.55		4,740,980.56
Gross revalue for the period	12,487,559.94		8,692,497.92
Ratio of cost of materials		**(%) 73.31**	54.54

4. Nature and scope of the preparation work

Unless documented In this report on the preparation of the annual financial statements, we documented the nature, scope and results of the individual preparation activities performed during of our engagement in our working papers.

The subject of the preparation with no assessments COMpnses the preparation of the balance sheet and income statement, as well as of the notes to the financial statements and additional components of the financial statements, on the basis of the accounting records and the accounting policies required to be applied. Our engagement to prepare the annual financial statements in accordance with the legal requirements on the basis of the documents provided. taking into account the information received and the closing entries prepared, did not extend to the assessment of the appropriateness and function of internal controls and of whether the accounting records have been properly compiled. In particular. the assessment of the stock-taking records, of correct application of the accrual and matching principle, and of recognition and measurement did not fall within the scope of out engagement.

If closing entries were prepared, e.g. the calculation of depreciation, amortisation and write-downs. valuation allowances, and provisions, these were based on the documents and information provided without any assessment of their accuracy.

Although we do not assess the vouchers and accounting records in the course of the preparation with no assessments in accordance with the terms of our engagement, we draw ow client's attention to evident inaccuracies in the documents provided that become apparent to us as professional practitioners in the course of porforming the engagement, make suggestions as to how they can be corrected and monitor that they are implemented appropriately in the annual financial statements.

5. Comments regarding the vouchers, accounting records and inventory records provided

Comments on the accounting records maintained by ourselves as well as on the vouchers provided are not necessary in the case of our engagement to prepare the annual financial statements with no assessments because no matters requiring comment were identified.

6. Results of work and attestation report

The attestation report on the annual financial statements prepared by ourselves does not contain any additions.

Wo did not raise any material objections to certain carrying amounts advocated by the chant or to the accounting.

7. Notes on the items In the balance sheet and profit and loss account

A. Fixed assets

I. Intangible fixed assets

1. Purchased concessions, Industrial and similar rights and assets and licences in such rights and assets — **EUR** **3,712** (31/03/2019: EUR 8,164

	2019/2020 EUR	01-03/2017 EUR
Computer software	3,712	8.164

II. Tangible fixed assets

1. Other equipment, operating and office equipment — **EUR** **9,556.009** (31/03/2019: EUR 14106.00)

	2019/2020 EUR	01-03/2017 EUR
Operating and office equipment	1,534.00	1,810.00
Other transportation resources	1.00	1.00
Operating equipment	189.00	1,235.00
Office equipment	4,250.00	4,636.00
Office fittings	911.00	1,433.00
Improvements	2,394.00	3,132.00
Assets (collective item)	**277.00**	**1 858.00**

B. Current assets

I. Inventories

1. **Work in progress** — **EUR** **280,158.80** (31/03/2019: EUR 340,940.13)

	2019/2020 EUR	01-03/2017 EUR
Services in progress (inventories)	51070.25	340,940.13
Unbilled Revenue (India Team)	108,420.40	0.00
Unbolted Revenue (India Team) POC120 668 15	0.00	
	280158.60	**34096 .13**

II. Receivables and other assets

1. Trade receivables — **EUR** **3,019,339.82** 31/03/2019: EUR 3,316,427.79)

	2019/2020 EUR	01-03/2017 EUR
Spec valuate allowances rec due w/in ty	-156,289.95	0.00
Trade receivables	3,531,781.20	3,314,236.40
Doubtful receivables	2.191.39	2,191.39
Contra acc 1451-1497 allotd to rec. acc	-358.342.82	0.00
	3.019.339.82	**3,316,427.79**

2.	Receivables from affiliated companies	EUR (31/034019:EUR	358,342.82 0.00)
		2019/2020 EUR	01-03/2017 EUR
	Trade rec. affiliated companies	**358,34.82**	**0.00**

3.	Other assets	EUR (31/034019:EUR	345,701.87 393.397.13)
		2019/2020 EUR	01-03/2017 EUR
	Verrechnungskonto OP Ausglerch	2,056.66	0.00
	Other assets	2,820.70	0.00
	Clewing Acc. CrecktCard	3,649.23	0.00
	Rec. other shareholders due Win 1 y	388.32	0.00
	Rcvtits, health insurance funds MG	4,721.36	4,721.36
	Security deposits	19,949.07	28,574.07
	ReeeiVables from employees (payroll)	1,342.18	0.00
	Receivables from trade tax overpaymts	25,660.00	32,075.00
	Reclaimed corporate income tax	82,540.30	98,280.90
	Deductible input tax	2,641.75	7,533.40
	Deductible input tax. 7%	1,693.43	9,698.04
	Dedctbl input tax on infra-EU acqsm 1.19	0.00	
	Dedctbl input tax on Infra-EU acqstn 19%	24.63	0.00
	Deductible input tax, 19%	378,683.89	663,293.20
	Dedctbl inpt tax sec 13b UStG 19%	1,759,520.86	14,232.66
	Items in transit	0.00	81.44
	Trade payables	128,328.82	63,991.38
	Social sec habits due wAn 1 year	175.83	0.00
	VAT on infra-EU acquisitions	-1.19	0.00
	VAT on intra•EU acquisitions. 19%	-24.63	0.00
	VAT, 19%	-1,263,480.85	-1361,825.47
	VAT prepayments	705,654.63	779,690.24
	VAT prepayments 1/11	157,405.00	67,284.00
	VAT under section 131, UStG, 19%	-1,759,520.86	-14,232.66
	VAT, previous year	91 471.55	-0.43
		345 701.87	**393,397.1$**

II.	Cash-in-hand, central bank balancos, bank balances and chequos	EUR (31/03/2019: EUR	3.903.200.06 211.70)
		2019/2020 EUR	01-03/2017 EUR
	Cash-in-hand	7.71	120.64
	Kassa (NOmberg)	91.16	91.16
	Bank 3	3,803,102.09	0.00
		3,803,200.96	**211. 70**

C.	Prepaid expenses	EUR (31/03/2019: EUR	23.807.39 37,895.03
		2019/2020 EUR	01-03/2017 EUR
	Prepaid expenses	23,807.39	37,895.03

D.	Del kit not covered by equity	EUR (31/03/2019:EUR	110,283.21 0.00)
		2019/2020 EUR	01-03/2017 EUR
	Deficit not covered by equity	110,283.21	0.00
	Total Assets	EUR **(31/03/2019:EUR**	7,954,162.87 4.111,140.78)

A.	Equity		
I.	Subscribed capital	EUR (31/03/2019:EUR	25,000.00 25,000.00)
		2019/2020 EUR	01-03/2017 EUR
	Subsribed capital	**25,000.00**	**25,000.00**
II.	Retained profits brought forward	EUR (31/03/2019:EUR	265,786.16 688,090.12)
		2019/2020 EUR	01-03/2017 EUR
	Rotained profits bet apprprtn not profit	**265,786.16**	**688,090.12**
III.	Net loss for the financial year	EUR (31/03/2019:EUR	-401,069.37 -422,304.46)
		2019/2020 EUR	01-03/2017 EUR
	Net loss for the financial year	**-401.062.37**	**422 304.46**
	Deficit not covered	EUR (31/03/2019:EUR	110.283.21 0.00)
		2019/2020 EUR	01-03/2017 EUR
	Deficit not covered	110.283.21	0.00
	Book equity	EUR (31/03/2019:EUR	0.00 290,786.16)

B.	Provisions		
1.	Other provisions	EUR (31/03/2019:EUR	556,810.19 1,632,942.90)
		2019/2020 EUR	01-03/2017 EUR
	Provisions for personnel expenses	89,645.00	79,378.00
	Other provisions	200,674.82	79,822.00
	Cost provision (BIB)	90,925.38	0.00
	Provision BTB-cost (POC)	106,187.97	0.00
	Provisions for maintenance deferred 3 IA	35,633.32	35.633.32
	Proven warrantee (contra acc 4790)	0.00	41,700.00
	Provsns expold loss exectry meets	3,300.00	3,300.00
	Provsns period-end closing/ writ costs	30,443.70	10,000.00
	Provsns int. expns s. 249(2) I-1GB ov	0.00	1,383,109.58
		556,810.19	**1,632,942.90**

C.	Liabilities		
1.	Liabilities to banks	EUR (31/03/2019: EUR	0.00 24,245.73)
	- of which due within one year EUR 0.00 (EUR 24,245.73)		
		2019/2020 EUR	01-03/2017 EUR
	Bank 3	0.00	24,245.73
2.	Payments received on account of orders	EUR (31/03/2019: EUR	80,000.00 0.00)
	- of which due within ono year EUR 80,000.00 (EUR 0.00)		
		2019/2020 EUR	01-03/2017 EUR
	Payments rcvd orders 19% VAT (habit)80,000.00	0.00	
3.	Trade payables	EUR (31/03/2019: EUR	998,976.60 1,143,671.41)
	- of which duo within one yoar EUR 998,976.50 (EUR 1,143,671.41)		

		2019/2020 EUR	01-03/2017 EUR
	Trade payables	6,747,704.93	1,143,671.41
	Contra acc 1625-1658 if allctd pybls acc	-5.748,728.43	0.00
		995175.50	1.14%671.41
4.	**Liabilities to affiliated companies**	**EUR** (31/03/2019: EUR	**5,748,728.43** 0.00)
	of which due within one year EUR 5,748,728.43 (EUR 0.00)		
		2019/2020 EUR	01-03/2017 EUR
	Trade payables affiliated componies 5,748,728.43	0.00	
5.	**Other liabilities**	**EUR** (31/02/2019: EUR	**267 82.04** 342,029.14)
	- of which taxes EUR 89.720.12 (EUR 316,497.20)		
	- of which social security EUR 19.660.30 (EUR 12,826.58)		
	- of which duo within one year EUR 267.182.04 (EUR 342,029.14)		
		2019/2020 EUR	01-03/2017 EUR
	Trade receivables	150,197.59	8,924.41
	Other liabilities	5,000.00	0.00
	Liabilities from taxes and levies	58,788.19	283,162.55
	Payroll liabilities	0.00	1,147.47
	Wage and church tax payablos	30,931.93	33.33485
	Social security liabilities	3,707.25	1,140.30
	Habits for amounts w/heid fr employees	2.604.03	2,633.48
	Liablts fr cap.-forming payment air.	0.00	50.38
	Expctd contrb. owed social secur. funds	15,953.05	11,635.92
D.	**Deforred Income**	**EUR** (31/03/2019: EUR	**302,465.71** 677.465.44)
		2019/2020 EUR	01-03/2017 EUR
	Deferred income	392,465.71	677,465.44
	Total Equity and Liabilities	**EUR** (31/03/2019: EUR	**7,954,162.87** 4,111,140.78)
1.	**Sales**	**EUR** (01-03/2017: EUR	**12,548,341.34** 8,390,557.79)
		2019/2020 EUR	01/03/2017 EUR
	Income from real estate	0.00	20,656.00
	Tents and lease Income VAT-exempt 0.00	4,375.00	
	Revenue	376,576.58	0.00
	Revenue for Cost Reimbursment	5,323.54	0.00
	Tax -exemt other sent. s. 18b USIG	797,997.66	0.00
	Revenues sent, udr. section 13b US*	4,623,668.62	744,576.65
	Export Sales • US11	42,276.61	0.00
	Revenue, 19% VAT	1.091.039.12	2,578,441.23
	Revenue, 19% VAT	5,531,501.30	4,809,260.72
	Revenue, 19% VAT	29,311.70	248,218.37
	Commission revenue. 19% VAT	0.00	8,082.07
	Sales allowances, 19% VAT	-9.542.00	0.00
	Cash discounts granted, 19% VAT	0.00	437.16
	Cash disc rev other services s. 18b UStG	60,188.21	0.00
	Rebates granted	0.00	-22,614.99

2.	**Decrease in finished goods Inventories and work In progress**	**EUR** (01-03/2017:EUR	**60,781.40** -301,940.13)
		2019/2020 EUR	01/03/2017 EUR
	Inventory changes —services in progress Change in Unbilled Revenue (India Team)	45,774.25 227,223.80	-301.940.13 0.00
	Change in Unbilled Rev. (India Team) POC	-120,668.15	0.00
		60.781.40	-101,940.13
3.	**Gross revenue for the parted**	**EUR** (01-03/2017:EUR	**12,487,669.94** 8,692,497.92)
4.	**Other operating income**		
	a) Income from disposal of Items of fixed assets and from reveral of write-downs of items of fixed assets	**EUR** (01-03/2017:EUR	**3,400.00** 0.00)
		2019/2020 EUR	01-03/2017 EUR
	Revenue from sales of Ingbl fxd assets	3,400.00	0.00
	b) Income from reversalof provisions	**EUR** (31/03/2019: EUR	**41,700.00** 13.320.00)
		2019/2020 EUR	01-03/2017 EUR
	Income from reversal of provisions	41,700.00	13,320.00
c)	**Miscellaneous other operating income**	**EUR** (01-03/2017:EUR	**10,953.86** 197,218.83)
		2019/2020 EUR	01-03/2017 EUR
	- of which currency translation gains EUR 573.01 (EUR 0.00)		
		2019/2020 EUR	01-03/2017 EUR
	Prior - period income	2,737.66	0.00
	Currency translation gains	573.01	0.00
		3,310.67	0.00
	Cur. transl. gains (not a. 256a HGB)	142.93	0.00
	Other income	12,326.91	1,359.08
	Income from remission of liabilities	0.00	20,349.44
	Insurance recoveries/compensation paymts	0.00	9,655.62
	Refunds MG	1,349.60	0.00
	Allocated other non-cash benefits	0.00	1,000.00
	Other operating income	-80,000.00	0.00
	Allctd.oth.n-c bnfts provsn cm, 19% VAT	73,730.22	164,854.69
	Allocated other non-cash bnfts, no VAT	93.53	0.00
		10,953.86	**197,218.83**
5.	**Cost of materials**		
	a) Cost of raw materials. consumables and supplies and of purchased merchandise	**EUR** (01-03/2017: EUR	**822,982.09** 1.781,991.81)
		2019/2020 EUR	01-03/2017 EUR
	Cost of merchandise, 19% input lax	812,528.69	1,680,061.42
	Cost of merchandise. 19% input tax	10,548.15	201,936.69
	Cash discounts received, 19% input I.	-90.75	-5.30
		822,982.09	1,781,991.81
	b) Cost of purchased services	**EUR** (01-03/2017:EUR	**8,332,229.46** 2.958,988.75)
		2019/2020 EUR	01-03/2017 EUR
	Purchased services	-1,325,738.54	2,958,988.75
	Adj. 8713-Cost on IFRS-POC Advance	106.187.97	0.00

STB-Cost according to Unbilled Revenue	134,388.83	0.00
Purchased services KPGE11	333,341.05	0.00
Purchased services • UK21	250.566.87	0.00
InterCoCost - FR11	603.68	0.00
Serv. suppi foreign contr. 19% Lt. NAT	8,391,783.19	0.00
Purchased services - V612	273,149.68	0.00
Purchased services - US13	91,004.25	0.00
Purchased services - US11	76,942.68	0.00
	8,332,229.46	**2,958,988.75**

6. **Personnel expenses**

a) Wages and salaries	**EUR** (01 -03/2017: EUR	**2,062065.66** 2,629,434.94)
	2019/2020 EUR	01-03/2017 EUR
Wages and salaries	64,265.64	32,865.69
Wages	17,770.56	8,282.36
Salaries	1,797,144.89	1,740,435.46
Paid employee bonl	64,129.53	192,710.46
Vertriebsprovisionen	42801.55	101,905.27
Managing directors salaries	0.00	366,767.54
Volunt. social bnfts subj to wage tax	84,182.00	194,378.51
Non-cash brill/ sow marg. pan-t workers	-11,950.70	-8,998.35
Capital-forming payments	0.00	1,088.00
Travel expn reim bnmnt-home:workplc	3,556.95	0.00
Wages for marginal part-time wok	162.00	0.00
Flat-rate tax on casual labour wages	3.24	0.00
	2,062 06996	**2,629,434.94**

b) Social security, post-employment and other employee benefit costs	**EUR** (01-03/2017:EUR	**343,274,40** 407,657.62)
- of which in respect of old age pensions EUR 1,831.68 (EUR 5,988.82)		
	2019/2020 EUR	01-0/2017 EUR
Statutory social security expenses	338,280.12	381,108.05
Contrb. to occup. healthlsalety agency	0.00	12,829.43
Vol. social belts not subj to wage Ix	3,162.68	7,731.32
Cost of old age pensions	1,657.08	3,632.53
Flat-rate tax for insurance premiums	174.60	2,356.29
	343 274.48	**407,657.6R**

7. **Depreciation, amortisation and write-downs**

a) Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets	**EUR** (014312017:EUR	**10,742.20** 24,770.56)
	2019/2020 EUR	01-03/2017 EUR
Amortisation of intrigbl fixed assets	4,452.00	4,921.50
Depreciation of tangible fixed assets	4,709.20	7,172.50
Immediate write down of tangible assets	0.00	11,093.56
Write down of assets (collective item)	1.581.00	1,583.00
	10,742.22	**24,770.56**

8. **Other operating expenses**

a) Occupancy costs	**EUR** (01-03/2017: EUR	**178,397.03** 164,647.98)
	2019/2020 EUR	01-03/2017 EUR
Occupancy Costs	0.00	34.31
Rent (immovable property)	142,867.62	149,255.40
Incidental rental:lease exp. (SBI)	23,207.43	0.00
Gas. electricity. water	7,565.86	7,726.73
Cleaning	4,756.12	7,402.75
Other occupancy costs	0.00	228.79
	178 397.03	**164,647.98**

b) Insurance premiums, fees and contributions	**EUR** (01-03/2017:EUR	**8,439.90** 21,760.29)
	2019/2020 EUR	01-03/2017 EUR
Disabled persons equalisation levy	0.00	5.280.00
insurance premiums	1,485.73	7,392.27
Contributions	4.922.17	7,906.52
Late filing penalties: admin. fines	32.00	1,181.50
	6.499.90	21260.29

e) Cost of third-party repairs and maintenance	**EUR** (01-0312017:EUR	**24,818,48** 46,768.06)
	2019/2020 EUR	01.03/2017 EUR
Repairs(maintenance operaVolfice equine) Hardware! software maintenance expenses Other repairs and maintenance	35.88 2,670.14 62.39	24,720.21 44.097.92 0.00
	21.8.121218	46,768.06

d) Vehicle fleet expenses	**EUR** (01-03/2017:EUR	**292,193.25** 518,139.13)
	2019/2020 EUR	01-03/2017 EUR
Motor vehicle insurance	28,484.15	51,534.42
Current motor vehicle operat. costs 35.575.98	109,270.36	
Motor vehicle repairs	25,507.64	52.801.28
Garage rent	601.27	0.00
Operating leases (motor vehicles)	194,063.05	264,083.06
Other motor vehicle expenses	2,825.19	5,950.28
Third-pony vehicle expenses	5,135.97	34,499.73
	292,193.25	518,139.13

e) Advertising and travel expenses	**EUR** (0I-03/2017:EUR	**128,449.10** 477,124.81)
	2019/2020 EUR	01-03/2017 EUR
Advertising costs	2,001.98	81,773.32
Gilts, deductible, without 37b EStG	73.70	2,305.90
Corporate hospitality expenses	347.41	6,036.27
Entertainment expenses	3.241.26	11,643.92
Expns Ern dedctblly (non-de:kW Mn)	0.00	8,038.98
Small gifts	3.142.59	39.42
Nondeductible entertain. expenses	926.85	4,990.25
Brooinung Mitarbeiter	-152.87	0.00
Employee travel expenses	36,342.66	-29,704.86
Employee travel expnses, cost of travel	40508.54	104.265.46
Employee tray. expn, addni substnc costs	17,715.36	52,826.05
Employee tray. expn. accommodation costs	22201.62	234 910.10
	126449.10	477,121161

I) Selling and distribution expenses	**EUR** (01-03/2017:EUR	**0.00** 7,430.40)
	2019/2020 EUR	01-03/2017 EUR
Outgoing freight Warranty expenses 0.00	230.40	
	0.00	7,200.00
	0.00	7,430.00

g) Miscellaneous operating costs	**EUR** (01-03/2017: EUR	**510,825.45** 272.328.05)
	2019/2020 EUR	01-03/2017 EUR
Other expenses	18,782.60	0.00

Operating leases fr technical equipment	43,44836	67,254.94
Other operating expenses	86,454.22	0.00
	120,292.14	0.00
Postage	1,046.52	3,327.51
Telephone	39,979.74	60,291.82
Fax and Internet costs	382.37	1,078.99
Office supplies	477.29	6,703.31
Newspapers, books (specialist lit.)	141.48	4,256.48
Training costs	3,073.08	10.800.74
Legal and consulting costs	95,430.19	71,539.96
Bookkeeping costs	52,894.39	32,219.04
Period-end closing and audit costs	24,375.80	12,525.65
	2019/2020 EUR	**01-03/2017 EUR**
Expansions for licences, concessions	12,039.95	0.00
Operating leases fr op./office equipment	399.06	0.00
incidental monetary transaction costs	10,420.97	2,329.61
Operating supplies	1.084.51	0.00
Tools and minor equipment	102.38	0.00
	510,825.45	**272,328.05**

h) Losses on write-downs or on disposal of current assets end transfers to valuation allowances on receivables	**EUR** (01-03/2017:EUR	**166,289.95** 0.00)
	2019/2020 EUR	01-03/2017 EUR
Transfer spec. valuatn allovmc rcvbls156,289.95	0.00	
I) Miscellaneous other operating expenses	**EUR** (01-03/2017:EUR	**85,365.20** 0.00)
-of which currency translation losses EUR 0.03 (EUR 0.00)		
	2019/2020 EUR	01.03/2017 EUR
Prior-perlod expenses	66,365.17	0.00
Currency translation losses	0.03	0.00
	65,365.20	**0.00**

9. **Other Interest and similar Income**

	EUR (01-03/2017:	**1,508.00** EUR 0.00)
	2019/2020 EUR	01-03/2017 EUR
Other interest and similar income	49.00	0.00
interest income s. 233a AO, taxable	1.459.00	0.00
	1508.00	**0.00**

10. **Interest and similar expenses**

	EUR (01-0312017: EUR	**12,392.62** 1.878.76)
-of which from affiliated companies EUR 11,909.76 (EUR 0.00)		
	2019/2020 EUR	01-03/2017 EUR
Int. expns. sec 233a AO, non-deductible	0.00	444.00
Intexpnsa.234-237 AO. non-deductible	0.00	192.00
Interest on rcyblat payables accounts	57.86	1,242.76
Interest expense on long-term debt	425.00	0.00
interest exp. to affiliated comp.	11,909.76	0.00
	12,392.62	**1,8176**

11. **Texas on income**

	EUR (01-03/2017:EUR	**0.00** 193.01)
	2019/2020 EUR	01-03/2017 EUR
Backperefunds trado tax pr yrs. s 4/50.00	193.01	

12. **Not income/net loss after tax**

	EUR (0143/2017:EUR	**$39,343.07** -410.077.42)

13. **Other taxes**

	EUR (01-0312017:EUR	**1726.30** 12.227.04)
	2019/2020 EUR	01-03/2017 EUR
Motor vehicle tax	**1726.30**	**12,227.04**

14. **Net loss for the financial year**

	EUR (01-03/2017:EUR	**401,069.37** 422.304.46)
	2019/2020 EUR	01-03/2017 EUR
Net loss for the financial year	**421,069.37**	**422,32,J4 4**

8. Enclosures

Attestation report

Attestation report on preparation by the tax advisory firm.

In accordance with the terms of our engagement. we have prepared the following annual financial statements comprising the balance sheet, income statement and notes to the financial statements of the company

Birlasoft Solutions GmbH for the financial year from 01 April 2019 to 31 March 2020 in accordance with the provisions of German Commercial Law.

The basis of preparation was the accounting records maintained by us and the additional vouchers and inventory records provided to us, which we have not audited in accordance with the terms of our engagement, as well as the information provided to us.

The accounting records and the preparation of the inventory records and the annual financial statements in accordance with the provisions of German Commercial Law are the responsibility of the company's management.

We have performed our engagement in accordance with the "Verlautbarung der Bundessteuerberaterkammor zu den Grundsätzen fur die Erstellung von Jahresabschlussen" (Pronouncement by the German Federal Chamber of Tax Advisers on the principles for the preparation of annual financial statements). This engagement comprises the preparation of the balance sheet and income statement, as well as the notes to the financial statements, on the basis of the accounting records, the inventory records and the accounting policies required lo be applied.

Munich, 24 April 2020

Aulinger + Schlotmann
Steuerberatungsgesellschaft mbH

[Original German version signed by:)
Philipp Schlotmann
Wirtschaltsprufer [German Public Auditor]
Steuerberater[Certified Tax Advisor]

Balance Sheet
as 31 March 2020

		EUR	Financial year EUR	Prior year EUR
A.	**Fixed assets**			
	I. Intangible fixed assets			
	1. Purchased concessions, industrial and similar rights and assets and licences in such rights and assets		3,712.00	8,164.00
	II. Tangible fixed assets			
	1.Other equipment, operating and office equipment		9,556.00	14,105.00
	III. Long-term financial assets			
	1. Other loans		0.00	0.00
B.	**Current assets**			
	I.Inventories			
	1.Work in progress		280,158.80	340,940.13
	II.Receivables and other assets			
	1.Trade receivables	3,019,339.82		3,316,427.79
	2.Receivables from affiliated companies	358,342.82		0.00
	3.Other assets	345,701.87		393,397.13
			3,723,384.51	**3,709,824.92**
	III.Cash-in-hand, central bank balances, bank balances and cheques		3,803,200.96	211.70
C.	**Prepaid expenses**		23,867.39	37,895.03
D.	**Deficit not covered by equity**		110,283.21	0.00
			7,954,162.87	**4,111,140.78**

Equity and liabilities

		EUR	Financial year EUR	Prior year EUR
A.	**Equity**			
I.	Subscribed capital		25,000.00	25,000.00
II.	Retained profits brought forward		265,786.16	688,090.62
III.	Net loss for the financial year		401,069.37-	422,304.46-
	Deficit not covered		110,283.21	0.00
	Book equity		0.00	290,786.16
B.	**Provisions**			
1.	Provisions for taxes	0.00		0.00
2.	Other provisions	556,810.19		1,632,942.90
			556,810.19	**1,632,942.90**
C.	**Liabilities**			
1.	Liabilities to banks	0.00		24,245.73
2.	Payments received on account of orders	80,000.00		0.00
3.	Trade payables	998,976.50		1,143,671.41
4.	Liabilities to affiliated companies	5,748,728.43		0.00
5.	Other liabilities	267,182.04		342,029.14
			7,094,886.97	**1,509,946.28**
	- of which taxes EUR 89,720.12 (EUR 316,497.20)			
	-of which social security EUR 19,660.30 (EUR 12,826.58)			
D.	**Deferred income**		302,465.71	677,465.44
			7,954,162.87	**4,111,140.78**

Profit and loss account
as 31 March 2020

	EUR	Financial year EUR	Prior year EUR
1.	Sales	12,548,341.34	8,390,557.79
2.	Decrease in finished goods inventories and work in progress	-60,781.40	301,940.13
3.	Gross revenue for the period	12,487,559.94	8,692,497.92
4.	Other operating income	56,053.86	210,538.83
5.	Cost of materials		
	a) Cost of raw materials, consumables and supplies and of purchased merchandise	-822,982.09	-1,781,991.81
	b) Cost of purchased services	-8,332,229.46	-2,958,988.75
		-9,155,211.55	-4,740,980.56
6.	Personnel expenses		
	a) Wages and salaries	-2,062,065.66	-2,629,434.94
	b) Social security, post-employment and other employee benefit costs	-343,274.48	-407,657.62
	- of which in respect of old age pensions EUR -1,831.68 (EUR -5,988.82)	-2,405,340.14	-3,037,092.56
7.	Depreciation, amortisation and write-downs Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets	-10,742.20	-24,770.56
8.	Other operating expenses	-1,360,778.36	-1,508,198.72
9.	Other interest and similar income	1,508.00	0.00
10.	Interest and similar expenses -of which from affiliated companies EUR -11,909.76 (EUR 0.00)	-12,392.62	-1,878.76
11.	Taxes on income	0.00	-193.01
12.	**Net income/net loss after tax**	**-399,343.07**	**-410,077.42**
13.	Other taxes	-1,726.30	-12,227.04
14.	**Net loss for the financial year**	**-401,069.37**	**-422,304.46**

Fixed Assets Schedule
as 31 March 2020

	01/04/2019 EUR	Additions EUR	31/03/2020 EUR	01/04/2019 EUR	Financial year EUR	31/03/2020 EUR	31/03/2020 EUR	31/03/2019 EUR
Fixed assets								
I. Intangible fixed assets								
Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	32,582.13	0.00	32,582.13	24,418.13	4,452.00	28,870.13	3,712.00	8,164.00
Total intangible fixed assets	**32,582.13**	**0.00**	**32,582.13**	**24,418.13**	**4,452.00**	**28,870.13**	**3,712.00**	**8,164.00**
II.Tangible fixed assets								
Other equipment, operating and office equipment	96,507.14	1,741.20	98,248.34	82,402.14	6,290.20	88,692.34	9,556.00	14,105.00
Total tangible fixed assets	**96,507.14**	**1,741.20**	**98,248.34**	**82,402.14**	**6,290.20**	**88,692.34**	**9,556.00**	**14,105.00**
III.Long-term financial assets								
Other loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total fixed assets	**129,089.27**	**1,741.20**	**130,830.47**	**106,820.27**	**10,742.20**	**117,562.47**	**13,268.00**	**22,269.00**

Notes

General information about the annual financial statements

Information identifying the company according to the registry court

Company name according to registry court:	Birlasoft Solutions GmbH
Registered company address according to registry court:	Bielefeld
Registry entry:	Handelsregister
Registry court:	Bielefeld
Registry court number:	HRB 39769

Disclosures on accounting policies

Accounting policies

Purchased intangible assets were recognised at cost; finite-lived intangible assets are amortised.

Tangible assets were recognised at cost; finite-lived tangible assets are depreciated.

Depreciation and amortisation is charged using the straight line method on the basis of the expected useful life of the assets.

If necessary, the applicable lower value was recognised at the reporting date.

Inventories were recognised at cost. Any lower current values at the reporting date were recognised.

The measurement of receivables and securities reflects all identifiable risks.

The other provisions were recognised for all further uncertain liabilities. They reflect all identifiable risks.

Liabilities are recognised at their settlement amount.

The annual financial statements include foreign currency items translated into EUR

Foreign currency receivables and liabilities are measured with the average spot exchange rate on the balance sheet date. The rate on the date of the transaction is recognized, as far as it was lower for receivables or higher for liabilities.

Accounting policies that have changed as against the prior year

The accounting policies previously applied were largely taken over in the annual financial statements.

There was no fundamental change in accounting policies compared with the prior year.

Balance sheet disclosures

Disclosure on remaining maturity comments

latalthes we a remainng term ot up to ono year amount to EUR 7,094,886.97 (prior year: EUR

Disclosures on liabilities to shareholders

Liablilles to &sot starelsOlders amount to EUR 250.566.87 (prior yoar: EUR Pm).

Other disclosures

Average number of employees during the financial year

The average number of employees duenig the fincrcial year amounts to 31.5.

Signature ot management

Bielefeld,24 April 2020

Markus Wakteich
(Managing Director)

Venkatarma Bheemeshwar Rao Adavilkolanu
(Managing Director)

Birlasoft GmbH
Registered Office: Kapellenstrabe 47, 65830 Kriftel, Germany.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended on March 31, 2020.

Financial Results

Particulars	2019-20 (EURO)	2018-19 (EURO)
Total Income	648	NIL
Net Profit / (Loss) for the year	(2,589)	(5,632)

Operations

During the year under review, the Company has generated income of EUR 648 and incurred a loss of EUR 2,589.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft (UK) Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft GmbH

London
April 5, 2020

Ashish Satija
Managing Director

Balance Sheet
As at 31 March 2020

(Amount in EURO)

ASSETS

EUR	Financial year EUR	Previous Year EUR
A.Current assets		
I. Receivables and other assets		
1. Other assets	79,943	0,00
II. Cash-in-hand, central bank balances, bank balances and cheques	250,24	5.144,58
BDeficit not covered by equity	11.636,02	9.047,08
	12.685,69	**14.191,66**
EQUITY AND LIABILITIES		
A.Equity		
I. Subscribed capital	**25.000,00**	**25.000,00**
II. Net accumulated losses of which accumulated losses brought forward EUR 34.047,08- (EUR 28.414,91-)	36.636,02-	34.047,08-
Deficit not covered	11.636,02	9.047,08
Book equity	0,00	0,00
B.Provisions		
1. Other provisions	2.300,00	3.550,00
C. Liabilities		
1. Trade payables of which due within one year EUR 119,00 (EUR 476,00)	119,00	476,00
2. Other liabilities	10.266,69	10.165,66
	10.385,69	**10.641,66**
of which to shareholders EUR 10.266,69 (EUR 10.165,66) of which due within one year EUR 10.266,69 (EUR 10.165,66)		
	12.685,69	**14.191,66**

Balance Sheet Accounts

As at 31 March 2020

(Amount in EURO)

ASSETS

Account	Description	EUR	Financial year EUR	Previous Year EUR
	Other assets			
1570	Deductible input tax		799,43	0,00
	Cash-in-hand, central bank balances, bank balances and cheques			
1210	Commerzbank #224710400		250,24	5.144,58
	Deficit not covered by equity			
	Equity deficit		11.636,02	9.047,08
	Total assets		**12.685,69**	**14.191,66**
EQUITY AND LIABILITIES				
800	Subscribed capital		25.000,00	25.000,00
	Net accumulated losses			
	Net accumulated losses		36.636,02-	34.047,08-
	of which accumulated losses brought forward EUR 34.047,08- (EUR 28.414,91-)			
2868	Accumulated losses brought forward			
	Deficit not covered			
	Equity deficit		11.636,02	9.047,08
	Other provisions			
970	Other provisions		500,00	1.750,00
977	Provsns period-end closing/ audit costs		1.800,00	1.800,00
			2.300,00	3.550,00
	Trade payables			
1610	Trade pybls, no sep. rec./pybls accntng		119,00	476,00
	of which due within one year EUR 119,00 (EUR 476,00)			
1610	Trade pybls, no sep. rec./pybls accntng			
	Other liabilities			
731	Liablts shrehldr/p.(due within 1 year)		10.266,69	10.165,66
	of which to shareholders EUR 10.266,69 (EUR 10.165,66)			
731	Liablts shrehldr/p.(due within 1 year)			
	of which due within one year EUR 10.266,69 (EUR 10.165,66)			
731	Liablts shrehldr/p.(due within 1 year)			
	Total equity and liabilities		**12.685,69**	**14.191,66**

Income Statement

From 01.04.2019 to 31.03.2020

(Amount in EURO)

		Financial year EUR	Previous Year EUR
1.	Other operating income		
	a) Miscellaneous other operating income	648,28	0,00
2.	Other operating expenses		
	a) Occupancy costs	1.200,00	1.428,00
	b) Insurance premiums, fees and contributions	96,69	268,44
c)	Miscellaneous operating costs	1.839,50	3.834,93
		3.136,19	**5.531,37**
3.	Interest and similar expenses	101,03	100,80
4.	**Net income/net loss after tax**	**2.588,94-**	**5.632,17-**
5.	**Net loss for the financial year**	**2.588,94**	**5.632,17**
6.	Accumulated losses brought forward	34.047,08	28.414,91
7.	Net accumulated losses	36.636,02	34.047,08

Income Statement Accounts

From 01.04.2019 to 31.03.2020

(Amount in EURO)

		Financial year EUR	Previous Year EUR
Miscellaneous other operating income			
2700	Other income	648,28	0,00
	Occupancy costs		
4210	Rent (immovable property)	1.200,00	1.428,00
	Insurance premiums, fees and contributions		
4380	Contributions	96,69	268,44
	Miscellaneous operating costs		
4950	Legal and consulting costs	401,18	0,00
4955	Bookkeeping costs	999,37	1.646,55
4957	Period-end closing and audit costs	0,00	1.568,96-
4970	Incidental monetary transaction costs	438,95	619,42
		1.839,50	**3.834,93**
	Interest and similar expenses		
2114	Interest on shareholder loans	101,03	100,80
	Net loss for the financial year		
	Net loss for the financial year	2.588,94	5.632,17
	Accumulated losses brought forward		
2868	Accumulated losses brought forward	34.047,08	28.414,91
	Net accumulated losses		
	Net accumulated losses	36.636,02	34.047,08

Attestation report on the preparation by the Wirtschaftsprüfungsgesellschaft

(German Public Audit Firm)

In accordance with the terms of our engagement, we have prepared the above annual financial statements - comprising the balance sheet, income statement - of the company

Birlasoft GmbH

For the financial year from 01. April 2019 to 31. March 2020 in accordance with the provisions of German commercial law. Basis for the preparation of these documents were the accounting records maintained by us and the other vouchers and inventory records presented to us, which we have not audited in accordance with the terms of our engagement, and the information provided to us. The bookkeeping system and the preparation of the inventory records and the annual financial statements in accordance with the provisions of German commercial law are the responsibility of the management of the company.

This engagement comprises the preparation of the balance sheet, income statement on the basis of the bookkeeping system and the inventory records, as well as of the accounting policies required to be applied.

Kriftel, den 5. April 2020

Klug & Engelhard GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Birlasoft Solutions Inc.

(Formerly KPIT Infosystems Incorporated)
Registered Office: 399, Thornall Street, 8th Floor, Edison, New Jersey – 08837, USA.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the Nineteenth report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 USD (Million)	2018-19 USD (Million)
Total Income	168.38	216.11
Net Profit / (Loss) for the year	4.52	6.34

Operations

During the year under review, income of the Company decreased by 22.09% resulting in decrease in net profit by 28.71%.

Board of Directors

During the year, Mr. Anjan Lahiri and Mr. Pawan Sharma ceased to be the Directors, and Mr. Dharmander Kapoor and Mr. Prasad Thrikutam were the Directors of the Company.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Balance Sheet

As at 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	542,457	577,708
Right-of-use assets	2B	1,645,176	-
Other Intangible assets	2C	3,521	14,363
Financial assets			
Investments	3	39,568,832	39,568,832
Loans	4	11,200,197	17,596,529
Income tax assets (net)		1,920,352	1,851,222
Deferred tax assets	5	1,460,229	847,875
Other non-current assets	6	30,792	4,183
		56,371,556	**60,460,712**
Current assets			
Financial assets			
Trade receivables	7	36,161,966	48,822,953
Cash and cash equivalents	8	7,083,038	14,812,288
Loans	9	574,540	210,282
Unbilled revenue		13,142,170	4,034,688
Other financial assets	10	-	180
Other current assets	11	15,81,947	880,902
		5,85,43,661	**68,761,293**
	TOTAL	**114,915,217**	**129,222,006**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	55,709,854	55,709,854
Other equity		8,510,383	3,989,895
		64,220,237	**59,699,749**
Non-current liabilities			
Financial liabilities			
Borrowings	13	3,900,000	3,900,000
Lease liabilities	14	1,032,540	-
Provisions	15	1,588,898	1,812,367
		6,521,438	**5,712,367**
Current liabilities			
Financial liabilities			
Short-term borrowings	16	-	-
Trade payables	16	36,666,072	38,506,706
Lease liabilities	17	680,084	-
Other	18	3,961,087	23,242,638
Other current liabilities	19	1,794,975	614,675
Provisions	20	346,365	517,335
Current income tax liabilities (net)		724,959	928,536
		44,173,542	**63,809,890**
	TOTAL	**114,915,217**	**129,222,006**
Significant accounting policies	1		
Notes referred to above form an integral part of the consolidated financial statements	2 - 28		

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Statement of Profit and Loss
for the year ended on 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
Revenue from operations	21	167,725,975	213,407,303
Other income	22	650,509	2,701,473
Total income		**168,376,484**	**216,108,776**
Expenses			
Employee benefits expense	23	58,543,568	84,891,794
Finance costs	24	69,249	12,322
Depreciation and amortization	2	1,008,401	521,564
Other expenses	25	103,865,773	124,067,990
Total expenses		**163,486,991**	**209,493,670**
Profit before tax		**4,889,493**	**6,615,106**
Tax expenses			
Current tax		981,359	920,659
Deferred tax		(612,354)	(638,676)
Total tax expense		**369,005**	**281,983**
Profit for the year		**4,520,488**	**6,333,123**
Other comprehensive income		**-**	**-**
Total comprehensive income		**4,520,488**	**6,333,123**
Significant accounting policies	1		
Notes referred to above iform an integral part of the consolidated financial statements	2 - 28		

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Statement of Changes in equity
for the year ended on 31 March 2020

(Amount in USD)

A Equity share capital	Amount
Balance as at 1 April 2018	5,57,09,854
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2019	**5,57,09,854**
Changes in equity share capital during 2019-20	-
Balance as at 31 March 2020	**5,57,09,854**

B Other equity

	Reserves & surplus			Total
	Capital Reserve	General Reserve	Retained earnings	
Balance as on 01 April 2018	31,780	(33,965,293)	31,590,285	(2,343,228)
Profit for the year	-	-	6,333,123	6,333,123
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**6,333,123**	**6,333,123**
Balance as on 31 March 2019	**31,780**	**(33,965,293)**	**37,923,408**	**3,989,895**
Balance as on 01 April 2019	**31,780**	**(33,965,293)**	**37,923,408**	**3,989,895**
Profit for the year	-	-	4,520,488	4,520,488
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**4,520,488**	**4,520,488**
Balance as on 31 March 2020	**31,780**	**(33,965,293)**	**42,443,896**	**8,510,383**

Retained earnings represents the amount that can be distributed by the Company to its equity shareholders considering the requirements of Companies Act, 2013.

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Cash Flow Statement
For the year ended on 31 March 2020

(Amount in USD)

PARTICULARS	31 Mar 2020	31 Mar 2019
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period	4,520,488	6,333,123
Adjustments for		
Income tax expense	369,005	281,983
Profit/Loss on sale of Plant, property and equipment (net)	(93)	1,660
Depreciation / Amortization	1,008,401	521,564
Interest expense	69,249	12,322
Interest income	(319,489)	(260,354)
Bad debts written off	1,301,133	32,704
Provision for doubtful debts, unbilled revenue and advances (net)	(197,082)	173,128
Unrealised foreign exchange Loss	(3,214)	(5,026)
Operating Profit before working capital changes	**6,748,398**	**7,091,104**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	2,449,454	(5,192,314)
Loans, other financials assets and other assets	190,594	(12,592,447)
Trade Payables	(1,840,634)	(7,053,944)
Other financial liabilities, other liabilities and provisions	(18,627,301)	9,274,664
Cash generated from operations	**(11,079,489)**	**(8,472,937)**
Taxes Paid	(1,254,066)	(236,461)
Net cash from operating activities (A)	**(12,333,555)**	**(8,709,398)**
B]CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Plant, property and Equipments	(228,665)	(130,448)
Proceeds from Sale of Fixed Assets	93	(1,660)
Loan (given to) / repaid by related parties	5,113,826	10,653,175
Interest received	319,849	660,260
Net Cash from /(used in) investing activities(B)	**5,205,103**	**11,181,327**
C]CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Working Capital loan (Net)	-	(4,212,487)
Repayment of lease liabilities	(732,101)	-
Loan (given to) / repaid by related parties	131,611	1,591,512
Interest and finance charges paid	(308)	(59,492)
Net cash from /(used in) financing activities(C)	**(600,798)**	**(2,680,467)**
Net Increase / (decrease) in cash and cash equivalents (A + B + C)	**(7,729,250)**	**(208,538)**
Cash & cash equivalents at close of the year (refer note 1 below)	7,083,038	14,812,288
Cash & cash equivalents at beginning of the year (refer note 1 below)	14,812,288	15,020,827
Cash surplus / (deficit) for the year	**(7,729,250)**	**(208,539)**
Note 1:		
Cash and cash equivalents include:		
Cash on hand	771	787
Cheques on hand	1,037,204	655,567
Balance with banks		
- In current accounts	6,045,063	14,155,934
Total Cash and cash equivalents	**7,083,038**	**14,812,288**
Cash and cash equivalents at the end of the year	**7,083,038**	**14,812,288**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Notes forming part of the Financial Statements
For the year ended on 31 March 2020

Company Overview

Birlasoft Solutions Incorporated (Erstwhile KPIT Infosystems Incorporated) is a company incorporated in the state of New Jersey, USA. The Company is a wholly owned subsidiary of Birlasoft Limited (Erstwhile KPIT Technologies Limited).

The Company provides Software Development, Global IT Consulting and Product Engineering Solutions to its clients, predominantly in Automotive & Transportation, Manufacturing and Energy & Utilities verticals.

1 Significant accounting policies

1.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in US Dollars ("USD"), unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

1.2 Current–non-current classification

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

Assets

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

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

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

c. it is expected to be realized within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

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

c. it is due to be settled within 12 months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition

Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

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

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

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

Revenues in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (Advance Billing).

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. In arrangements for engineering services and the sale of its related licenses and products, the Company has applied the guidance in Ind AS 115, 'Revenue from contract with customer', by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price.

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

Deferred contract costs are incremental costs of obtaining a contract which are recognised as assets and amortized over the term of the contract.

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

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

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

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

1.4 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives , than they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss Assets under construction are disclosed as capital work-in-progress.

1.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

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

1.7 Depreciation and amortization

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Type of asset	Useful life (No. of years)
Plant and equipment(1)	4
Office Equipment(1)	10
Furniture and fixtures(1)	8

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

Leasehold land and vehicles taken on lease are amortized over the period of the lease.

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

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.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

1.8 Impairment

a. Financial assets

The Company assesses at each date of Balance Sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

1.9 Leases

The Group has primarily leased rental offices premises.

"The Ministry of Corporate Affairs (MCA) notified IND AS 116 , the new lease accounting standard on March 30 2019 and came into force with effect from April 01 2019. IND AS 116 has replaced the guidance in IND AS 17 "Leases". The effect of initially applying this standard is recognised at date of initial application (i.e. April 01 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Group has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the group has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.9 Significant accounting policy in the annual report of the company for the year ended March 31 2019 for lease accounting policy as per IND AS 17. The impact of adoption of this accounting standard is significant "

At the inception of contract the Group assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to :

- Obtains substantially all the economic benefits from using the asset and
- direct the use of asset

1. As a lessee

The Group recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost , which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The Group generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments. The Group presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in th e statement of financial position."

2. Extension and termination of lease

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."

3. Short term leases and low value asset.

The Group has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term."

4. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss ,if any ,is recognised in statement of profit and loss."

1.10 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

1.11 Employee benefits

Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The 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.

1.12 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.13 Provisions, Contingent liabilities and Contingent assets

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

1.15 Employee stock option

In respect of stock options granted by the parent company, pursuant to the Group's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

1.16 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b. Subsequent measurement

i) Non-derivative financial instruments

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value of financial instruments

The company uses discounted cash flow analysis method for the fair value of its financial instruments. The method of assessing fair value result in general approximation of value and such value may never actually be realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

Fair value measurements

The Company measures financial instruments, such as, derivatives and investments in mutual funds at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment **(Amount in USD)**

	Plant and equipment	Office equipment	Furniture and fixtures	Leasehold improvement	Total
Gross carrying amount as at 1 April 2018	**1,515,158**	**112,301**	**434,278**	**183,008**	**2,244,745**
Additions	193,066	4,147	17,850	-	215,063
Disposal/Retirements/Derecognition	124,451	8,511	25,128	-	158,090
Gross carrying amount as at 31 March 2019	**1,583,773**	**107,937**	**427,000**	**183,008**	**2,301,718**
Accumulated depreciation as at 1 April 2018	**10,34,002**	**59,825**	**2,92,756**	**1,05,737**	**14,92,320**
Depreciation for the period	254,681	11,085	46,131	18,999	330,896
Disposal/Retirements/Derecognition	84,766	1,637	12,804	-	99,206
Accumulated depreciation as at 31 March 2019	**1,203,917**	**69,274**	**326,083**	**124,736**	**1,724,010**
Carrying amount as at 1 April 2018	**481,156**	**52,476**	**141,522**	**77,271**	**752,425**
Carrying amount as at 31 March 2019	**379,856**	**38,663**	**100,917**	**58,272**	**577,708**
Gross carrying amount as at 1 April 2019	**1,583,773**	**107,937**	**427,000**	**183,008**	**2,301,718**
Additions	124,024	17,668	89,344	-	231,035
Disposal/Retirements/Derecognition	3,364	-	-	-	3,364
Gross carrying amount as at 31 March 2020	**1,704,432**	**125,605**	**516,344**	**183,008**	**2,529,389**
Accumulated depreciation as at 1 April 2019	**1,203,917**	**69,274**	**326,083**	**124,736**	**1,724,010**
Depreciation for the period	183,888	10,991	50,039	18,998	263,916
Disposal/Retirements/Derecognition	993	-	-	-	993
Accumulated depreciation as at 31 March 2020	**1,386,811**	**80,264**	**376,122**	**143,734**	**1,986,932**
Carrying amount as at 1 April 2019	**379,856**	**38,663**	**100,917**	**58,272**	**577,708**
Carrying amount as at 31 March 2020	**317,621**	**45,340**	**140,222**	**39,274**	**542,457**

(Amount in USD)

2B Right-of-use assets

	Office Premises	Total
ROU asset created on adoption of Ind AS 116 as at 01 April 2019	**2,172,317**	**2,172,316.58**
Additions	2,06,502	2,06,502
Foreign exchange translation	-	-
Disposal/retirements/derecognition	-	-
Gross carrying amount as at 31 March 2020	**2,378,819**	**2,378,819**
Accumulated depreciation as at 01 April 2019	**-**	**-**
Depreciation	7,33,643	7,33,643
Foreign exchange translation	-	-
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2020	**7,33,643**	**7,33,643**
Carrying amount as at 31 March 2019	**2,172,317**	**-**
Carrying amount as at 31 March 2020	**1,645,176**	**1,645,176**

2C Other intangible assets

Changes in the carrying amount of other intangible assets

	Internally Generated Product Development Cost	Other than Internally Generated Software	Total
Gross carrying amount as at 1 April 2018	**282,606**	**645,955**	**928,561**
Additions	15,370	-	15,370
Disposal/Retirements/Derecognition	47,613	-	47,613
Gross carrying amount as at 31 March 2019	**250,363**	**645,955**	**896,318**
Accumulated depreciation as at 1 April 2018	**82,668**	**619,013**	**701,681**
Depreciation for the period	172,110	18,560	190,670
Disposal/Retirements/Derecognition	10,396	-	10,396
Accumulated depreciation as at 31 March 2019	**244,382**	**637,573**	**881,955**
Carrying amount as at 1 April 2018	**199,938**	**26,942**	**226,880**
Carrying amount as at 31 March 2019	**5,981**	**8,382**	**14,363**
Gross carrying amount as at 1 April 2019	**250,363**	**645,955**	**896,318**
Additions	-	-	-
Disposal/Retirements/Derecognition	-	-	-
Gross carrying amount as at 31 March 2020	**250,363**	**645,955**	**896,318**
Accumulated depreciation as at 1 April 2019	**244,382**	**637,573**	**881,955**
Depreciation for the period	2,873	7,969	10,842
Disposal/Retirements/Derecognition	-	-	-
Accumulated depreciation as at 31 March 2020	**247,255**	**645,542**	**892,797**
Carrying amount as at 1 April 2019	**5,981**	**8,382**	**14,363**
Carrying amount as at 31 March 2020	**3,108**	**413**	**3,521**

		31 March 2020	31 March 2019
3	**Non current investments**		
	Investments in equity instruments of subsidiaries (at cost)		
	KPIT Technologies Solucoes EM Informatica LTDA	1,470,000	1,470,000
	(1,121,145 (Previous Year 1,121,145) Equity Shares of Brazilian Reas 1 each fully paid up)		
	Investment in shares of Sparta Consulting Inc., USA	38,098,832	38,098,832
	(1,000 (Previous Year 1,000) Shares of the common stock without par value fully paid up)		
		39,568,832	**39,568,832**

(Amount in USD)

		31 March 2020	31 March 2019
4	**Non current Loans**		
	(Unsecured, considered good unless otherwise stated)		
	Loans Receivable from related parties (Refer note 26) - Considered good - Unsecured		
	-Loan to Sparta Consulting Inc., USA -	5,050,000	
	-Loan to Birlasoft Solutions Limited (Formerly KPIT Infosystems Limited (UK))	10,350,000	11,850,000
	-Loan to Birlasoft Solutions Ltda (Formerly KPIT Technologies Solucoes Em Informatica Ltda)	800,000	650,000
	Loans Receivable from other than related parties - Considered good - Unsecured		
	- Security deposits	50,197	46,529
		11,200,197	**17,596,529**

		31 March 2020	31 March 2019
5	**Deferred tax assets**		
	-Provision for doubtful debts and advances	126,361	120,244
	-Provision for leave encashment	447,267	613,233
	-Provision for Onerous contract	-	110,538
	-Accrued Expenses	438,947	-
	-Accrued Payroll	603,848	-
	-Lease Liabilities	450,936	-
	-Others	146,090	151,475
		2,213,449	**995,490**
	Deferred tax liabilities		
	-Prepaid Expenses	128,852	81,171
	-Provision for depreciation	69,113	55,229
	-Interest on loan - Intercompany	-	11,215
	-Interest payable	82,909	-
	-Provision for doubtful debts	39,170	-
	-Right Of Use Assets	4,33,177	-
		753,220	**147,615**
	Net deferred tax asset	**1,460,229**	**847,875**

		31 March 2020	31 March 2019
6	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	1,370	4,183
	Contract Fulfillment Cost	29,422	-
		30,792	**4,183**

		31 March 2020	31 March 2019
7	**Trade receivables**		
	Trade Receivables considered good - Unsecured	36,161,966	49,541,124
	Trade Receivables - credit impaired	331,143	-
		36,493,109	**49,541,124**
	Less: Allowances for bad and doubtful trade receivables	331,143	718,171
		36,161,966	**48,822,953**

(Amount in USD)

		31 March 2020	31 March 2019
8	**Cash and cash equivalents**		
	- Cash on hand	771	787
	- Cheques on hand	1,037,204	655,567
	Balances with banks		
	- In current accounts	6,045,063	14,155,934
		70,83,038	**14,812,288**

		31 March 2020	31 March 2019
9	**Current Loans**		
	Loans Receivable from related parties (Refer note 26) - Considered good - Unsecured		
	- Loan to Sparta Consulting Inc., USA	-	63,826
	-Loan to Birlasoft Solutions Limited 525,117 (Formerly KPIT Infosystems Limited (UK))	128,071	
	-Loan to KPIT Technologies SOLUCOES EM INFORMATICA Ltd	12,830	4,623
	-Loan to Birlasoft Solutions Mexico S.A. DE C.V.	29,591	-
	Loans Receivable from other than related parties Considered good - Unsecured		
	- Security deposits	7,002	13,762
		574,540	**210,282**

		31 March 2020	31 March 2019
10	**Other current financials assets**		
	(Unsecured, considered good unless otherwise stated)		
	Interest accrued on Fixed Deposit	-	180
		-	**180**

		31 March 2020	31 March 2019
11	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	191,457	150,845
	Advance to suppliers	360,708	61,912
	Prepaid expenses	643,694	405,674
	Contract Fulfillment Cost	3,392	-
	Balances with statutory authorities	82,475	62,363
	Others	300,221	200,108
		1,581,947	**880,902**

		31 March 2020	31 March 2019
12	**Share capital**		
	Authorised:		
	100,000 shares common stock without par value		
	Issued subscribed and fully paid up:		
	12,467 (Previous year 12,467) shares of common stock without par value fully paid up	55,709,854	55,709,854
		55,709,854	**55,709,854**

		31 March 2020	31 March 2019
13	**Non current borrowings**		
	Loans from related parties		
	- Loan from Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)	3,900,000	3,900,000
		39,00,000	**39,00,000**

(Amount in USD)

		31 March 2020	31 March 2019
14	**Lease non-current liabilities**		
	Lease liabilities	1,032,540	-
		1,032,540	**-**

		31 March 2020	31 March 2019
15	**Non current Provisions**		
	Provision for employee benefits		
	- Compensated Absences	1,588,898	1,812,367
		1,588,898	**1,812,367**

		31 March 2020	31 March 2019
16	**Trade payables**		
	Total outstanding dues of trade payables	36,666,072	38,506,706
		36,666,072	**38,506,706**

		31 March 2020	31 March 2019
17	**Lease current liabilities**		
	Lease liabilities	680,084	-
		680,084	**-**

		31 March 2020	31 March 2019
18	**Other current financial liabilities**		
	Current maturities of long term debt:		
	- Loan from Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)	223,123	91,512
	Other than trade payables :		
	Accrued employee costs	2,774,404	3,097,296
	Payable to related parties (Refer Note 27)	9,41,331	20,044,884
	Security deposits	22,229	8,946
		3,961,087	**23,242,638**

		31 March 2020	31 March 2019
19	**Other current liabilities**		
	Unearned revenue	1,502,245	2,18,620
	Statutory remittances	292,730	3,96,055
		1,794,975	**614,675**

		31 March 2020	31 March 2019
20	**Current provisions**		
	Provision for employee benefit		
	- Compensated Absences	346,365	517,335
		346,365	**517,335**

		31 March 2020	31 March 2019
21	**Revenue from operations**		
	Software services	167,725,975	213,407,303
		167,725,975	**21,34,07,303**

(Amount in USD)

		31 March 2020	31 March 2019
22	**Other income**		
	Interest income	319,489	260,354
	Profit on sale of fixed assets (net)	93	-
	Provision for doubtful debts, unbilled revenue and advances (net)	197,082	-
	Foreign exchange gain (net)	26,086	-
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	107,759	2,441,119
		650,509	**2,701,473**

		31 March 2020	31 March 2019
23	**Employee benefits expense**		
	Salaries, wages and incentives	58,487,906	84,802,823
	Staff welfare expenses	55,662	88,971
		58,543,568	**84,891,794**

		31 March 2020	31 March 2019
24	**Finance costs**		
	Interest expense	308	12,322
	Interest on lease liabilities	68,941	-
		69,249	**12,322**

		31 March 2020	31 March 2019
25	**Other expenses**		
	Travel and overseas expenses (net)	4,237,402	4,645,823
	Transport and conveyance (net)	710,905	827,880
	Cost of service delivery (net)	76,937,311	91,854,567
	Cost of professional sub-contracting (net)	15,480,787	16,043,634
	Recruitment and training expenses	112,446	247,603
	Power and fuel	50,903	41,000
	Rent	77,150	952,187
	Repairs and maintenance		
	- plant & equipment	137,446	70,473
	- others	80,625	38,100
	Insurance	202,652	171,950
	Rates & taxes	128,829	187,992
	Communication expenses (net)	866,474	1369,387
	Legal and professional fees	1,419,262	4,268,806
	Marketing expenses	1,623,228	2,343,756
	Loss on sale of fixed assets(net)	-	1,660
	Foreign exchange loss (net)	-	27,217
	Printing & stationery	13,202	14,205
	Bad debts written off	1,301,133	32,704
	Provision for doubtful debts, unbilled revenue and advances (net)	-	173,128
	Miscellaneous expenses (net)	486,018	755,918
		103,865,773	**124,067,990**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

26 Contingent liabilities and Commitments

The Company has no contingent liabilities and commitments as at 31 March 2020.

27 Related party disclosures

A. Name of the related party and nature of relationship where control exists:

Relationship	Name of related party
Holding Company	Birlasoft Limited, India (Erstwhile KPIT Technologies Limited)
Subsidiary Companies	Birlasoft Consulting Inc. USA
(Direct holding)	Birlasoft Solutions Ltda (erstwhile KPIT Technologies Solucoes em Informatica LTDA)
	Birlasoft Solutions Mexico S.A. DE C.V. (Erstwhile KPIT Infosystems Mexico S.A. DE C.V.)
Fellow Subsidiary Companies	Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation)
	Birlasoft Solutions France (Erstwhile KPIT Technologies France SAS)
	Birlasoft Computer Corporation (Erstwhile SYSTIME Computer Corporation),USA
	Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH)
	Birlasoft Solutions ME FZE. (erstwhile KPIT Infosystems ME FZE.)
	Birlasoft Solutions Limited (ers,twhile KPIT Infosystems Limited),UK
	Birlasoft (UK) Limited
Entities jointly controlled by a Group having joint control	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019 upto 31 January 2020)
	over the reporting entity KPIT Technologies Netherlands B.V (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies (UK) Limited (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Infosystems Limited Filial UK, Sweden (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Inc., USA (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GK, Japan (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019 upto 31 January 2020)
	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019 upto 31 January 2020)

B. Transactions with related parties

No.	Name of related party	FY 2019-20 Amount of transactions during the year (USD)	FY 2019-20 Balance as on 31 Mar 20 Debit/Credit (USD)	FY 2018-19 Amount of transactions during the year (USD)	FY 2018-19 Balance as on 31 Mar 19 Debit/Credit (USD)
1	**Birlasoft Limied, India (Erstwhile KPIT Technologies Limited)**				
	Sale of Software Services	12,258	1,131	54,606	3,584
	Software service charges	56,194,798	(13,303,542)	67,595,682	(11,706,186)
	Advance taken (net)	(379,092)	(571,200)	(332,151)	(116,142)
	Guarantee Fees	(50,000)		(50,000)	
	Reimbursement of expenses (net)	(30,538)		28,714	
2	**Birlasoft Consulting Inc. USA**				
	Sale of Software Services	4,023,535	3,33,594	5,127,484	2,828,165
	Software service charges	6,071,766	(1,460,815)	3,354,661	(2,285,276)
	Repayment of loan (including interest)	5,050,000	NIL	11,243,347	5,113,826
	Interest income	25,809		2,07,955	
	Investment in equity	NIL	38,098,832	NIL	38,098,832
	Advance given (net)	(79,205)	31,260	(8,959)	(388,325)
	Reimbursement of expenses (net)	(50,638)		(3,325,819)	
3	**KPIT Technologies Netherlands B.V.**				
	Software service charges	NIL	NA	256,877	(92,713)
	Sale of Software Services	NIL	NA	11,984	9,500
4	**Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation)**				
	Loan Received	NIL	(4,123,123)	1,500,000	(3,991,512)
	Interest expenses	131,611		91,512	
	Advance received (net)	(877)	38,029	8,065	4,340
	Reimbursement of expenses	34,751		12,456	
	Sale of Software Services	480,373	92,911	741,765	180,374
	Software service charges	988,688	(334,992)	423,729	(255,426)
5	**Birlasoft Solutions France**				
	Sale of Software Services	54,221	(39,878)	52,446	46,214
	Software service charges	65,201	(21,454)	38,258	(24,136)
6	**Birlasoft Computer Corporation (Erstwhile SYSTIME Computer Corporation), USA**				
	Software service charges	12,440,437	(12,343,530)	14,600,849	(16,091,565)
	Sale of Software Services	3,753,972	3,728,738	2,540,702	1,513,600
	Advance received (net)	161,144	445,978	595,665	243,931
	Reimbursement of expenses (net)	2,755,378		6,997	
7	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Sale of Software Services	NIL	NA	1,178	1,489
	Software service charges	NIL	NA	225,859	(52,922)
	Reimbursement of expenses (net)	NIL	NA	NIL	NIL
8	**Birlasoft Solutions ME FZE., Dubai**				
	Software service charges	21,509	NIL	NIL	NIL
9	**Birlasoft Solutions ME FZE. (Australia Branch)**				
	Sale of Software Services	7,365	7,596	232	232
	Software service charges	378	2,709	7,588	3,939
10	**Birlasoft Solutions ME FZE. (Korea Branch)**				
	Software service charges	NIL	NIL	182,267	(22,193)
	Sale of Software Services	NIL	158	158	158
11	**KPIT Technologies (UK) Ltd**				
	Sale of Software Services	NIL	NA	81,596	124,657
	Reimbursement of expenses	NIL	NA	NIL	20,439
	Advance received (net)	NIL		20,439	
	Software service charges	NIL	NA	897,747	(298,326)
12	**KPIT Infosystems Limited Filial UK, Sweden**				
	Sale of Software Services	NIL	NA	501	1,154
	Software service charges	NIL	NA	563	NIL
13	**Birlasoft Solutions Ltda (erstwhile KPIT Technologies Solucoes em Informatica LTDA)**				
	Software service charges	785,897	(71,036)	864,971	(77,536)
	Loans taken	150,000	812,830	650,000	654,623
	Interest Received	19,515			
	Interest Income	27,722		4,623	
	Investment in equity	NIL	1,470,000	NIL	1,470,000
14	**Birlasoft Solutions Mexico S.A. DE C.V. (Erstwhile KPIT Infosystems Mexico S.A. DE C.V.)**				
	Loans taken	29,533	29,591	NIL	NIL
	Interest Income	58		NIL	NIL
15	**KPIT Technologies GmbH, Germany**				
	Software service charges	NIL	NA	970,274	(203,998)
	Sale of Software Services	NIL	NA	135,953	309,911
16	**Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH)**				
	Sale of Software Services	40,984	84,765	17,630	43,818
	Software service charges	46,513	(88,436)	NIL	(41,862)
17	**MicroFuzzy Industrie-Elektronic GmbH**				
	Software service charges	NIL	NA	375,980	(172,348)
	Sale of Software Services	NIL	NA	1,244	1,244
18	**Birlasoft Solutions Limited,UK**				
	Software service charges	7,87,380	(35,358)	332,545	(331,791)
	Sale of Software Services	13,987	6,393	30,509	NIL
	Advance received (net)	41,343	41,343	NIL	NIL
	Loan given	NIL	10,875,117	13,850,000	11,978,071
	Repayment of loan	1,500,000		2,000,000	
	Interest Income	397,046		128,071	
19	**KPIT Technologies Inc., USA**				
	Software service charges	3,224,793	NA	3,032,923	(3,032,923)
	Sale of Software Services	117,124	NA	3,853,903	17,043,788
	Investment in equity	NIL	NA	1,00,81,511	NIL
	Advance received (net)	(8,364,787)	NA	(21,197,119)	(19,809,126)
	Reimbursement of expenses	2,197,006		3,198,438	
20	**KPIT Technologies GK, Japan**				
	Software service charges	NIL	NA	25,590	(25,590)
	Sale of Software Services	NIL	NA	103,758	115,063

No.	Name of related party	FY 2019-20		FY 2018-19	
		Amount of transactions during the year (USD)	Balance as on 31 Mar 20 Debit/Credit (USD)	Amount of transactions during the year (USD)	Balance as on 31 Mar 19 Debit/Credit (USD)
21	**Birlasoft Inc., US**				
	Reimbursement of expenses	(125,163)	(14,541)	NIL	NIL
	Sale of Software Services	NIL	144,000	NIL	NIL
22	**KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited)**				
	Software service charges	NIL	NA	336,762	(345,975)
23	**KPIT Technologies Holding Inc (US)**				
	Sale of Investment in equity of KPIT Technologies Inc.	NIL	NA	10,081,511	NIL
24	**Birlasoft (UK) Limited, Netherland**				
	Software service charges	46,459	(45,989)	NIL	NIL

28 Events after the reporting period

There are no events that have occurred after the reporting period which requires disclosure.

For and on behalf of the Board of Directors
Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Faridabad
20 May 2020

Dharmander Kapoor
Director

Birlasoft Consulting Inc.

(Formerly Sparta Consulting Inc.)
Registered Office: 111 Woodmere Road, Suite 200 Folsom, California 95630, United States of America.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 USD (Million)	2018-19 USD (Million)
Total Income	47.66	79.57
Net Profit / (Loss) for the year	(2.61)	3.29

Operations

During the year under review, the total income of the Company has decreased by 40.10% resulting in net loss of USD 2.61 million.

Name Change

During the year under review, the name of the Company changed from Sparta Consulting Inc. to Birlasoft Consulting Inc.

Change in Board of Directors

During the year under review, Mr. Anjan Lahiri, Mr. Pawan Sharma ceased to be the Directors and Mr. Prasad Thrikutam was appointed as a Director w.e.f. May 24, 2019.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Balance Sheet

As at 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	62,063	1,03,517
Right-of-use assets	2B	98,250	-
Other intangible assets	2C	99,743	376,964
Financial assets			
Loans	3	16,057	16,196
Income tax assets (net)		95,960	-
Deferred tax assets	4	1,150,118	1,116,625
Other non current asset	5	808,084	-
		2,330,275	**1,613,302**
Current assets			
Financial assets			
Trade receivables	5	9,563,344	18,196,181
Cash and cash equivalents	6	1,776,008	7,244,998
Loans	7	41,361	422,052
Unbilled revenue		487,947	1,096,998
Other current assets	8	260,834	142,326
		12,129,494	**27,102,555**
TOTAL		**14,459,769**	**28,715,857**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	5,105,200	5,105,200
Other equity		1,268,850	3,878,759
		6,374,050	**8,983,959**
Non-current liabilities			
Financial liabilities			
Borrowings	10	-	5,050,000
Lease liabilities	11	620	-
Provisions	12	589,692	803,357
		590,312	**5,853,357**
Current liabilities			
Financial liabilities			
Trade payables	13	5,179,902	11,550,390
Lease liabilities	14	106,238	-
Other	15	871,616	1,276,259
Other current liabilities	16	293,714	333,980
Provisions	17	164,288	267,671
Current income tax liabilities (net)		879,649	450,241
		7,495,407	**13,878,541**
TOTAL		**14,459,769**	**28,715,857**
Significant accounting policies	1		
Notes referred to above financial statements form an integral part of the financial statement	2-25		

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Statement of Profit and Loss
For the year ended on 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
Revenue from operations			
Sale of services	18	47,592,099	79,521,850
Other income	19	63,487	49,226
Total income		**47,655,586**	**79,571,076**
Expenses			
Employee benefits expense	20	19,834,251	32,850,018
Finance costs	21	31,271	207,957
Depreciation and amortization	2	436,640	889,329
Other expenses	22	29,664,667	41,738,180
Total expenses		**49,966,829**	**75,685,484**
Profit/(Loss) before tax		**(2,311,243)**	**3,885,592**
Tax expense			
Current tax		332,158	578,995
Deferred tax		(33,492)	16,529
Total tax expense		298,666	595,524
Profit/(Loss) for the year		**(2,609,909)**	**3,290,068**
Other comprehensive income		**-**	**-**
Total comprehensive income/(loss)		**(2,609,909)**	**3,290,068**
Significant accounting policies	**1**		
Notes referred to above form an integral part of the financial statements	2-25		

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Statement of Changes in Equity
For the year ended on 31 March 2020

(Amount in USD)

A Equity share capital	
Balance as at 1 April 2018	5,105,200
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2019	5,105,200
Changes in equity share capital during 2019-20	-
Balance as at 31 March 2020	5,105,200

B Other equity

Particulars	Retained earnings	Total
Balance as on 01 April 2018	**588,691**	**588,691**
Profit for the year	3,290,068	3,290,068
Other comprehensive income	-	-
Total comprehensive income for the year	**3,290,068**	**3,290,068**
Balance as on 31 March 2019	**3,878,759**	**3,878,759**
Balance as on 01 April 2019	**3,878,759**	**3,878,759**
Profit for the year	(2,609,909)	(2,609,909)
Other comprehensive income	**-**	
Total comprehensive loss for the year	**(2,609,909)**	**(2,609,909)**
Balance as on 31 March 2020	**1,268,850**	**1,268,850**

Retained earnings represents the amount that can be distributed by the Company to its equity shareholders considering the requirements of Companies Act, 2013.

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor

Statement of Cash Flows

For the year ended on 31 March 2020

(Amount in USD)

PARTICULARS	31 March 2020	31 March 2019
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) for the period	(2,609,909)	3,290,068
Adjustments for		
Gain on sale of Property,plant and Equipment (net)	(300)	-
Provision for doubful debts	1,481,118	526,580
Bad debts written off	237,552	-
Income tax expense	298,666	595,524
Depreciation / Amortization	436,640	889,329
Interest expense	31,271	207,957
Interest income	(63,187)	(49,226)
Operating Profit before working capital changes	**(188,149)**	**5,460,232**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	7,523,218	(717,677)
Loans, other financials assets and other assets	(545,762)	6,918,787
Trade Payables	(6,366,725)	2,738,985
Other financial liabilities, other liabilities and provisions	(761,957)	(18,736,414)
Cash generated from operations	**(339,375)**	**(4,336,087)**
Taxes Paid	1,290	(31,414)
Net cash from operating activities (A)	**(338,085)**	**(4,367,501)**
B]CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	(3,506)	(3,174)
Proceeds from Sale of Property, plants and equipment	300	-
Interest received	63,187	49,226
Net Cash from /(used in) investing) activities (B	**59,981**	**46,052**
C]CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term loan from other than banks	-	50,50,000
Repayment of Long term loan from other than banks	(50,50,000)	-
Repayment of Lease liabilities	(1,15,077)	-
Interest and finance charges paid	(25,809)	(2,07,956)
Net cash from /(used in) financing activities (C)	**(51,90,886)**	**48,42,044**
Net Increase / (decrease) in cash and cash equivalents (A + B + C)	**(54,68,990)**	**5,20,595**
Cash & cash equivalents at close of the year (refer note 1 below)	17,76,008	72,44,998
Cash & cash equivalents at beginning of the year (refer note 1 below)	72,44,998	67,24,403
Cash surplus / (deficit) for the year	**(54,68,990)**	**5,20,595**
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	6,72,094	35,10,278
Balance with banks		
- In current accounts	11,03,914	37,34,720
Total Cash and cash equivalents	17,76,008	72,44,998

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Notes forming part of the Financial Statements

For the year ended on 31 March 2020

Company Overview:

Birlasoft Consulting Inc. is a Company incorporated in the state of California, USA. The Company is a wholly owned subsidiary of Birlasoft Solutions Incorporated, USA and ultimate holding company is KPIT Technologies Limited.

The Company is engaged in the business of providing pre-packaged, industry-specific SAP software solutions and IT services.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

The standalone financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The standalone financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on the historical cost basis, except business combination under common control, accounting for share based payments, defined benefit obligations, purchase consideration in business combinations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

1.2 Revenue recognition

Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

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

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

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

Revenues in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (Advance Billing)

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. In arrangements for engineering services and the sale of its related licenses and products, the Company has applied the guidance in Ind AS 115, 'Revenue from contract with customer', by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price.

1.3 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Assets under construction are disclosed as capital work-in-progress.

1.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

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

1.7 Depreciation and amortization

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Type of asset	Useful life (No. of years)
Plant and equipment[1]	4
Office Equipment[1]	10
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.*

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.

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

Capitalized development costs are amortized over a period of 3 to 4 years.

Improvements to leased premises are amortized over the remaining non-cancellable period of lease.

1.8 Impairment

a. Financial assets

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

ii. Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.9 Income taxes

The Company is a part of a tax consolidation group consisting of KPIT Infosystems Incorporated (the holding company or the parent entity), the Company. The tax-consolidated group prepares a single consolidated annual tax return, and the parent entity records the ultimate tax obligations. Based on the contractual arrangements between Company and the holding company, receivables/payables on account of current tax are settled between the companies.

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.10 Leases

The Company has primarily leased rental offices premises.

The Ministry of Corporate Affairs (MCA) notified IND AS 116, the new lease accounting standard on March 30 2019 and came into force with effect from April 01 2019. IND AS 116 has replaced the guidance in IND AS 17 "Leases".The effect of initially applying this standard is recognised at date of initial application (i.e. April 01 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has applied INDAS 116 using the modified retrospective approach as per C5(b) of the standard.Accordingly the group has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.9 Significant accounting policy in the annual report of the company for the year ended March 31 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is significant.

At the inception of contract the Company assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to :
- Obtains substantially all the economic benefits from using the asset and
- direct the use of asset

1. As a lessee

The Company recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost , which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received. The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The Company generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments. The Company presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in the statement of financial position.

2. Extension and termination of lease

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.

3. Short term leases and low value assets

The Company has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

4. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable.Impairment loss, if any, is recognised in statement of profit and loss.

1.11 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.12 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

1.13 Employee benefits

i) Post-employment benefit plans

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognized in Other Comprehensive Income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. Past service cost is recognized immediately to the extent that the benefits are already vested or amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plan

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

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

1.14 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery. The Company estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

1.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

1.16 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognized as an intangible asset in accordance with policy defined.

1.17 Financial Instrument

a. Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b. Subsequent measurement

i) Non-derivative financial instruments

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in Other Comprehensive Income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value of financial instruments

The Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP) , where Black and Scholes options pricing model is used. The method of assessing fair value results in general approximation of value and such value may never actually be realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

Fair value measurements

The Company measures financial instruments, such as, derivatives and investments in mutual funds at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
a. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
c. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's finance team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The team comprises of the head of the treasury operation and chief finance officer. External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

1.18 Employee stock option

In respect of stock options granted by the parent company, pursuant to the Group's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

1.19 Critical accounting estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and when ever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

c. Income tax

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

Notes forming part of the Financial Statements
For the year ended on 31 March 2020

(Amount in USD)

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

	Leasehold improvements	Plant and equipment	Furniture and Fixtures	Office Equipments	Total
Gross carrying amount as at 1 April 2018	**32,643**	**376,769**	**127,206**	**752,047**	**1,288,666**
Other additions	-	1,200	1,693	261	3,154
Disposal/retirements/derecognition	-	824	-	-	824
Gross carrying amount as at 31 March 2019	**32,643**	**377,145**	**128,899**	**752,308**	**1,290,996**
Accumulated depreciation as at 1 April 2018	**32,643**	**330,394**	**106,711**	**662,119**	**1,131,866**
Depreciation	-	29,453	9,415	17,568	56,436
Disposal/retirements/derecognition	-	824	-	-	824
Accumulated depreciation as at 31 March 2019	**32,643**	**359,023**	**116,126**	**679,687**	**1,187,478**
Carrying amount as at 1 April 2018	**-**	**46,375**	**20,495**	**89,928**	**156,800**
Carrying amount as at 31 March 2019	**-**	**18,122**	**12,773**	**72,621**	**103,518**
Gross carrying amount as at 1 April 2019	**32,643**	**377,145**	**128,899**	**752,308**	**1,290,995**
Other additions	-	-	-	-	-
Disposal/retirements/derecognition	-	-	3,506	-	3,506
Gross carrying amount as at 31 March 2020	**32,643**	**377,145**	**125,393**	**752,308**	**1,287,488**
Accumulated depreciation as at 1 April 2019	**32,643**	**359,023**	**116,126**	**679,687**	**1,187,479**
Depreciation	-	16,427	7,446	17,580	41,453
Disposal/retirements/derecognition	-	-	3,506	-	3,506
Accumulated depreciation as at 31 March 2020	**32,643**	**375,450**	**120,065**	**697,267**	**1,225,425**
Carrying amount as at 1 April 2019	**-**	**18,122**	**12,773**	**72,621**	**103,516**
Carrying amount as at 31 March 2020	**-**	**1,694**	**5,328**	**55,041**	**62,063**

2B Right-of-use assets

	Office Premises	Total
ROU asset created on adoption of Ind AS 116 as at 01 April 2019	**216,215**	**216,215**
Additions	-	-
Foreign exchange translation -	-	
Disposal/retirements/derecognition -	-	
Gross carrying amount as at 31 March 2020	**216,215**	**216,215**
Accumulated depreciation as at 01 April 2019 -	**-**	
Depreciation	117,965	117,965
Foreign exchange translation	-	-
Disposal/retirements/derecognition -	-	
Accumulated depreciation as at 31 March 2020	**117,965**	**117,965**
Carrying amount as at 31 March 2019 -	**-**	
Carrying amount as at 31 March 2020	**98,250**	**98,250**

2C Other intangible assets

Changes in the carrying amount of other intangible assets

	Internally Generated	Other than Internally Generated	Total
	Product Development Cost	Software	
Gross carrying amount as at 1 April 2018	**3,729,737**	**215,385**	**3,945,122**
Other additions	20	-	20
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2019	**3,729,757**	**215,385**	**3,945,142**
Accumulated depreciation as at 1 April 2018	**2,520,203**	**215,081**	**2,735,284**
Depreciation	832,671	222	832,893
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2019	**3,352,874**	**215,303**	**3,568,177**
Carrying amount as at 1 April 2018	**1,209,534**	**304**	**1,209,838**
Carrying amount as at 31 March 2019	**376,883**	**82**	**376,965**
Gross carrying amount as at 1 April 2019	**3,729,757**	**215,385**	**3,945,142**
Other additions	-	-	-
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2020	**3,729,757**	**2,15,385**	**3,945,142**
Accumulated depreciation as at 1 April 2019	**3,352,874**	**215,303**	**3,568,177**
Depreciation	277,146	76	277,222
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2020	**3,630,020**	**215,379**	**3,845,399**
Carrying amount as at 1 April 2019	**376,883**	**82**	**376,965**
Carrying amount as at 31 March 2020	**99,737**	**6**	**99,743**

Notes forming part of the Financial Statements
For the year ended on 31 March 2020

(Amount in USD)

		31 Mar 2020	31 Mar 2019
3	**Loans**		
	Loans Receivable from other than related parties - Considered good - Unsecured		
	Security deposits	16,057	16,196
		16,057	**16,196**
4	**Deferred tax assets**		
	Deferred tax assets		
	-Provision for depreciation	317,189	403,312
	-Provision for doubtful debts and advances	613,348	229,332
	-Provision for leave encashment	143,960	277,306
	-Accrued Payroll	153,583	39,006
	-Accrued Expenses	62,000	1,12,585
	-Payable to Subcontractor	4,606	19,007
	-Lease Liabilities	22,440	-
	-Others	-	38,132
		1,317,126	1,118,680
	Deferred tax liabilities		
	-Prepaid Expenses	4,137	2,055
	-Provision for doubtful debts	142,239	-
	-Right Of Use Assets	20,633	-
		167,009	2,055
	Net deferred tax asset	**1,150,118**	**1,116,625**
5	**Other non Current Asset**		
	Contract Fulfillment Cost	808,084	-
		808,084	**-**
5	**Trade receivables**		
	Trade Receivables considered good -Unsecured	9,563,344	18,196,181
	Trade Receivables - credit impaired	2,243,377	842,078
		11,806,721	19,038,259
	Less: Allowance for bad and doubtful trade receivables	2,243,377	842,078
		9,563,344	**18,196,181**
6	**Cash and cash equivalents**		
	Cash and cash equivalents		
	Cheques in hand	672,094	3,510,278
	Balances with banks		
	- In current accounts	1,103,914	3,734,720
		1,776,008	**7,244,998**
7	**Current loans and advances**		
	Loans Receivable from other than related parties Considered good - Unsecured		
	- Security deposits	10,101	30,780
	- Other receivables	31,260	391,272
		41,361	**422,052**

(Amount in USD)

		31 March 2020	31 March 2019
8	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	24,159	5,667
	Advance to suppliers	102,299	86,699
	Prepaid expenses	29,522	17,138
	Contract Fulfillment Cost	93,168	-
	Balances with statutory authorities	2,850	2,850
	Others	8,836	29,972
		260,834	**142,326**
9	**Share capital**		
	Authorised:		
	1000 Shares common stock without par value		
	Issued subscribed and fully paid up:		
	1000 (Previous year 1000) Shares of the common stock without par value fully paid	5,105,200	5,105,200
		5,105,200	**5,105,200**
10	**Non current borrowings**		
	Loans and advances from related parties (Unsecured)		
	Loan from Birlasoft Solutions Inc. (Formerly known as KPIT Infosystems Incorporated, USA	-	5,050,000
		-	**5,050,000**
11	**Lease non-current liabilities**		
	Lease liabilities	620	-
		620	**-**
12	**Non current provisions**		
	Provision for employee benefits		
	- Compensated Absences	589,692	803,357
		589,692	**803,357**
13	**Trade payables**		
	Trade payables	5,179,902	11,550,390
		5,179,902	**11,550,390**
14	**Lease current liabilities**		
	Lease liabilities	106,238	-
		106,238	-
15	**Other current financial liabilities**		
	Current maturities of long term debt (Refer Note 21)		
	From Birlasoft Solutions Inc.(Formerly known as KPIT Infosystems Incorporated, USA)	-	63,826
	Other than trade payables :		
	Accrued employee costs	863,523	1,212,433
	Payable to related parties (Refer Note 24)	8,093	-
		871,616	**1,276,259**
16	**Other current liabilities**		
	Unearned revenue	128,384	149,693
	Statutory remittances	165,330	184,287
		293,714	**333,980**

(Amount in USD)

		31 March 2020	31 March 2019
17	**Current provisions**		
	Provision for employee benefit		
	- Compensated Absences	164,288	267,671
		164,288	**267,671**
18	**Revenue from Operations**		
	Software services	47,592,099	79,521,850
		47,592,099	**79,521,850**
19	**Other income**		
	Interest income	-	213
	Profit on sale of asset	300	-
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	63,187	49,013
		63,487	**49,226**
20	**Employee benefits expense**		
	Salaries, wages and incentives	19,786,648	32,781,883
	Staff welfare expenses	47,603	68,135
		19,834,251	**32,850,018**
21	**Finance costs**		
	Interest expense	25,809	207,957
	Interest on lease liabilities	5,462	-
		31,271	**207,957**
22	**Other expenses**		
	Travel and overseas expenses (net)	1,938,805	5,189,699
	Transport and conveyance (net)	274,818	534,535
	Cost of service delivery (net)	15,278,601	17,935,639
	Cost of professional sub-contracting (net)	10,042,809	16,060,519
	Recruitment and training expenses	18,213	102,660
	Power and fuel	-	7,123
	Rent	7,834	137,630
	Repairs and maintenance -		
	- plant & equipment	2,196	8,418
	- others	3,139	2,624
	Rates & taxes	14,522	21,747
	Communication expenses (net)	100,987	140,000
	Legal and professional fees	221,037	614,889
	Marketing expenses	-	246,618
	Foreign exchange loss (Net)	2,796	4,396
	Printing & stationery	3,577	32,688
	Bad debts written off	237,552	-
	Provision for doubtful debts, unbilled revenue and advances (net)	1,481,118	526,580
	Miscellaneous expenses (net)	36,663	172,415
		29,664,667	**41,738,180**

23 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

24 Related party transactions:

A. Relationship with parent and other subsidiaries

Relationship	Name of related party
Ultimate Holding Company	Birlasoft Limited, India (Erstwhile known as KPIT Technologies Limited)
Holding Company	Birlasoft Solutions Inc. (Erstwhile Known as KPIT Infosystems Incorporated)
Fellow Subsidiary Companies	Birlasoft Technologies Canada Corporation (Erstwhile Known as KPIT Technologies Corporation, Canada)
	Birlasoft Computer Corporation, USA (Erstwhile known SYSTIME Computer Corporation)
	Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH)
	Birlasoft Solutions Ltda (erstwhile KPIT Technologies Solucoes em Informatica LTDA)
	Birlasoft Solutions Limited,UK (erstwhile KPIT Infosystems Limited)
	Birlasoft Solutions France (erstwhile KPIT Technologies France SAS)
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies (UK) Ltd (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Infosystems Limited Filial UK, Sweden (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019 upto 31 January 2020)
	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Inc,USA (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GK,Japan (w.e.f. 01 January 2019 upto 31 January 2020)

(Amount in USD)

B. Transactions with related parties

No.	Name of the related party	FY 2019-20		FY 2018-19	
		Amount of transaction 2019-20 (USD)	Balance as at 31 Mar 2020 (USD)	Amount of transaction 2018-19 (USD)	Balance as at 31 Mar 2019 (USD)
1	**Birlasoft Limited (Erstwhile KPIT Technologies Limited, India)**				
	Software service charges	**13,233,140**	**(8,093)**	22,226,085	1,096,513
	Advance received (net)	**(22,800)**		26,321	
	Reimbursement of expenses	**(11,667)**		(1,106,243)	-1,096,513
2	**Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)**				
	Software service charges	**NIL**	**NIL**	183,777	(15,389)
	Sale of software services	**52,784**	**22,230**	87,255	16,695
	Repayment of loan (including interest)	**NIL**	**NIL**	778,930	NIL
	Interest expense	**NIL**		7,700	
3	**Birlasoft Solutions Incorporated, USA**				
	Sale of software services	**6,071,766**	**1,460,815**	1,702,034	7,51,900
	Software service charges		**5,510,279**	(1,215,076)	
	Advance received (net)	**79,205**	**31,260**	4,757,899	7,060,392
	Reimbursement of expenses	**50,638**		2,682,393	
	Repayment of loan (including interest)	**5,050,000**	**NIL**	386,059	(16,149,219)
	Interest expense	**25,809**		399,218	
4	**Birlasoft Computer Corporation, USA**				
	Reimbursement of expenses	**107,414**	**NIL**	(98,138)	96,013
	Advance received (net)	**(200)**		NIL	
	Sale of software services	**1,463,980**	**203,655**	1,225,711	48,376
	Software service charges	**16,741**	**(17,866)**	491,811	(17,775)

(Amount in USD)

No.	Name of the related party	FY 2019-20		FY 2018-19	
		Amount of transaction 2019-20 (USD)	**Balance as at 31 Mar 2020 (USD)**	**Amount of transaction 2018-19 (USD)**	**Balance as at 31 Mar 2019 (USD)**
5	**Birlasoft Inc, USA**				
	Software service charges	**NIL**	**(2,994)**	NIL	NIL
	Advance received (net)	**NIL**	**NIL**	NIL	NIL
	Reimbursement of expenses	**(4,679)**		NIL	
6	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Software service charges	**NIL**	**NA**	32,936	(5,363)
7	**KPIT Technologies (UK) Ltd**				
	Software service charges	**NIL**	**NA**	4,863	NIL
	Sale of software services	**NIL**		1,092,761	
8	**KPIT Infosystems Limited Filial UK, Sweden**				
	Sale of software services	**NIL**	**NA**	11,648	11,648
9	**Birlasoft Solutions Ltda**				
	Software service charges	**NIL**	**NIL**	138,437	(11,109)
10	**KPIT Technologies GmbH, Germany**				
	Software service charges	**NIL**	**NA**	16,512	(7,515)
	Sale of software services	**NIL**	**NA**	11,735	9,895
11	**KPIT Technologies France**				
	Sale of software services	**NIL**	**NIL**	144,981	144,981
12	**MicroFuzzy Industrie-Elektronic GmbH**				
	Software service charges	**NIL**	**NA**	594,890	(160,158)
13	**KPIT Technologies Inc.**				
	Sale of software services	**NIL**	**NA**	NIL	NIL
	Reimbursement of expenses	**38,056**		NIL	
	Advance received (net)	**2,997,864**		NIL	
14	**Birlasoft Solutions Limited,UK (erstwhile KPIT Infosystems Limited)**				
	Software service charges	**65,544**	**NIL**	NIL	NIL
15	**Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH)**				
	Sale of software services	**293,819**	**300,918**	NIL	NIL

25 Events after the reporting period

For and on behalf of the Board of Directors
Birlasoft Consulting Inc.

Faridabad
May 20, 2020

Dharmander Kapoor
Director

Birlasoft Computer Corporation

(Formerly Systime Computer Corporation, USA.)
Registered Office: 399, Thornall Street, 8th Floor, Edison, New Jersey 08837, USA.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 USD (Million)	2018-19 USD (Million)
Total Income	37.97	38.56
Net Profit / (Loss) for the year	(0.21)	0.25

Operations

During the year under review, total income of the Company has declined by 1.53% and the Company has incurred losses.

Change in Board of Directors

During the year, Mr. Dharmander Kapoor and Mr. Roopinder Singh were appointed as the Directors, and Mr. Anjan Lahiri, Mr. Pawan Sharma & Mr. Rajeev Gupta ceased to be the Directors of the Company.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Computer Corporation

New Jersey
May 20, 2020

Roopinder Singh
Director

Balance Sheet

As at 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	365	607
Intangible fixed assets	2B	-	270,940
Financial assets			
Investments	3	1	1
Income tax assets (net)		377,989	583,836
Deferred tax assets	4	631,551	289,099
Other non-current assets	5	524	-
		1,010,430	**1,144,482**
Current assets			
Financial assets			
Trade receivables	6	19,071,010	23,263,559
Cash and cash equivalents	7	2,067,591	1,704,808
Loans	8	750	-
Unbilled revenue		782,256	375,955
Other current assets	9	52,775	52,669
		21,974,382	25,396,991
TOTAL ASSETS		**22,984,812**	**26,541,473**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	110,000	110,00
Other equity		13,296,806	13,508,148
		13,406,806	**13,618,148**
Liabilities			
Non-current liabilities			
Provisions	11	879,594	261,620
		879,594	**261,620**
Current liabilities			
Financial liabilities			
Trade payables	12	5,793,945	8,119,763
Other financial liabilities	13	1,698,508	1,521,244
Other current liabilities	14	1,016,451	2,034,690
Provisions	15	169,055	986,008
Income tax liabilities (net)		20,453	-
		8,698,412	12,661,705
TOTAL EQUITY AND LIABILITIES		**22,984,812**	**26,541,473**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2-22		

For and on behalf of the Board of Directors of
Birlasoft Computer Corporation, USA
(Erstwhile Known as SYSTIME Computer Corporation, USA)

Dharmander Kapoor
Director

Place: Faridabad
Date: 20 May 2020

Roopinder Singh
Director

Place: New Jersey
Date: 20 May 2020

Statement of Profit and Loss
For the year ended on 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
Revenue from operations	16	37,840,589	38,284,199
Other income	17	128,045	279,132
Total income		**37,968,634**	**38,563,331**
Expenses			
Employee benefits expense	18	18,456,909	19,762,763
Finance cost	19	1	-
Depreciation and amortization	2	45,270	88,191
Other expenses	20	19,800,209	18,511,861
Total expenses		**38,302,389**	**38,362,815**
Profit before tax		**(333,755)**	**200,516**
Tax expenses			
Current tax		220,040	(83,690)
Deferred tax (benefit)/Charge		(342,453)	34,375
Total tax expense		**(122,413)**	**(49,315)**
Profit for the year		**(211,342)**	**249,831**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**(211,342)**	**249,831**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2-22		

For and on behalf of the Board of Directors of
Birlasoft Computer Corporation, USA
(Erstwhile Known as SYSTIME Computer Corporation, USA)

Dharmander Kapoor
Director

Place: Faridabad
Date: 20 May 2020

Roopinder Singh
Director

Place: New Jersey
Date: 20 May 2020

Statement of Cash Flows
For the year ended on 31 March 2020

(Amount in USD)

PARTICULARS	31 March 2020	31 March 2019
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	(211,342)	249,830
Adjustments for		
Income tax expense	(122,413)	(49,315)
Unrealised Forex Gain/(Loss)		
Profit/Loss on sale of Property Plant and Equipment (net)	(71,762)	-
Profit/Loss on sale of Shares	-	2,49,250
Depreciation / Amortization	45,270	88,191
Interest expense	1	-
Bad debts written off	21,983	-
Provision for doubtful debts, unbilled revenue and advances (net)	(32,583)	19,471
Interest income	(1,115)	(3)
Operating Profit before working capital changes	**(371,961)**	**557,424**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	37,96,848	(8,011,309)
Loans, other financials assets and other assets	(108)	1,058,041
Trade Payables	(2,325,818)	3,749,969
Other non-current assets	(524)	-
Other financial liabilities, other liabilities and provisions	(10,39,954)	1,601,748
Cash generated from operations	58,483	(1,044,127)
Taxes Paid	6,260	(301,380)
Net cash from operating activities (A)	**64,743**	**(1,345,507)**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	-	(118,458)
Proceeds from Sale of Property Plant and Equipment	297,674	-
Sale of investments	-	(248,750)
Loans given to related parties	(750)	-
Interest received	1,115	3
Interest and finance charges paid	1	-
Net Cash from /(used in) investing activities (B)	**298,040**	**(367,205)**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**362,783**	**(1,712,712)**
Cash & cash equivalents at close of the year (refer note 1 below)	2,067,591	1,704,808
Cash & cash equivalents at beginning of the year (refer note 1 below)	17,04,808	34,17,520
Cash surplus / (deficit) for the year	**362,783**	**(1,712,712)**
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	118,206	-
Balance with banks		
- In current accounts	1,949,385	1,704,808
Total Cash and cash equivalents	**2,067,591**	**1,704,808**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors of
Birlasoft Computer Corporation, USA
(Erstwhile Known as SYSTIME Computer Corporation, USA)

Dharmander Kapoor
Director

Place: Faridabad
Date: 20 May 2020

Roopinder Singh
Director

Place: New Jersey
Date: 20 May 2020

Statement of changes in equity
For the year ended on 31 March 2020

(Amount in USD)

A Equity share capital		**Amount**
Balance as at 31 March 2018		110,000
Changes in equity share capital during 2018-19		-
Balance as at 31 March 2019		110,000
Changes in equity share capital during 2019		-
Balance as at 31 December 2019		110,000

B Other equity		
Particulars	**Retained earnings**	**Total**
Balance as on 31 March 2018	**13,258,317**	**13,258,317**
Profit for the year	249,831	249,831
Other comprehensive income	-	-
Total comprehensive income for the year	**249,831**	**249,831**
Balance as on 31 March 2019	**13,508,148**	**13,508,148**
Profit for the year	(211,342)	(211,342
Other comprehensive income	-	-
Total comprehensive income for the year	**(211,342)**	**(211,342)**
Balance as on 31 March 2020	**13,296,806**	**13,296,806**

Retained earnings represents the amount that can be distributed by the Company to its equity shareholders considering the requirements of Companies Act, 2013.

Note 3:
The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors of
Birlasoft Computer Corporation, USA
(Erstwhile Known as SYSTIME Computer Corporation, USA)

Dharmander Kapoor
Director

Place: Faridabad
Date: 20 May 2020

Roopinder Singh
Director

Place: New Jersey
Date: 20 May 2020

Notes forming part of the financial statements for the year ended on 31 March 2020

Company Overview:

Birlasoft Computer Corporation, USA (Erstwhile Known as SYSTIME Computer Corporation, USA) is a Company incorporated in California on January 21, 1997. The Company is a wholly owned subsidiary of Birlasoft Limited (Erstwhile KPIT Technologies Limited, India).

The Company is engaged in the business of providing software consultancy services in the areas of Enterprise Resource Planning, Customer Relationship Management, Supply Chain Management, Business Intelligence, Business Integration, Human Resource Management, Infrastructure Management Services and Strategic Sourcing.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

"The standalone financial statements are prepared in accordance with the Indian Accounting Standards (""Ind-AS"") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The standalone financial statements are presented in US Dollar ("USD"),unless otherwise stated."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Use of estimates

The preparation of financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

Critical accounting estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

1.2 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition:

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

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation. Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the entity is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers.

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

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

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

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

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

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

Use of significant judgements in revenue recognition

The entity's contracts with customers could include promises to transfer multiple products and services to a customer. The entity assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The entity allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The entity uses judgement to determine an appropriate standalone selling price for a performance obligation. The entity 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 entity uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The entity exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The entity 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.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives , than they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

1.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

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

1.7 Depreciation and amortization

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Type of asset	Useful life Number of years
Plant and equipment (1)	4
Office Equipment (1)	10
Furniture and fixtures (1)	8

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.

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

Capitalized development costs are amortized over a period of 3 years.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Improvements to leased premises are amortized over the remaining non-cancellable period of the lease.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

1.8 Impairment

a. Financial assets

The Company assesses at each date of Balance Sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

1.9 Leases

The entity has primarily leased rental offices premises , guest house, parking space, laptops etc across multiple locations.

"The Ministry of Corporate Affairs (MCA) notified IND AS 116 , the new lease accounting standard on March 30, 2019 and came into force with effect from April 01, 2019. IND AS 116 has replaced the guidance in IND AS 17 ""Leases"". The effect of initially applying this standard is recognised at date of initial application (i.e. April 01, 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17. The impact of adoption of this accounting standard is significant."

The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is significant.

At the inception of contract the entity assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to:

- Obtains substantially all the economic benefits from using the asset and
- Direct the use of asset

a. As a lessee

The entity recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost, which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.

The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The entity generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments.

The entity presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in the statement of financial position.

b. Extension and termination of lease

The entity 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 entity is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the entity is reasonably certain not to exercise that option. In assessing whether the entity 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 entity to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The entity revises the lease term if there is a change in the non-cancellable period of a lease.

c. Short term leases and low value assets

The entity has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The entity recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

d. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss ,if any ,is recognised in statement of profit and loss.

1.10 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.11 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

1.12 Employee benefits

Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The 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.

1.13 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.14 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.15 Employee stock option

In respect of stock options granted by the parent company, pursuant to the Group's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

1.16 Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

2A Property, plant and equipment **(Amount in USD)**

Changes in the carrying amount of property, plant and equipment

	Plant & Equipment	Furniture & Fixtures	Office Equipments	Total
Gross carrying amountas at 1 April 2018	**173,997**	**45,000**	**1,3825**	**232,822**
Other additions	-	-	-	-
Disposal/retirements/derecognition	1,130	-	-	1,130
Gross carrying amount as at 31 March 2019	**172,867**	**45,000**	**13,825**	**231,692**
Accumulated depreciation as at 1 April 2018	**165,052**	**45,000**	**13,136**	**223,188**
Depreciation	8,865	-	162	9,027
Disposal/retirements/derecognition	1,130	-	-	1,130
Accumulated depreciation as at 31 March 2019	**172,787**	**45,000**	**13,298**	**231,085**
Carrying amount as at 1 April 2018	**8,945**	**-**	**689**	**9,634**
Carrying amount as at 31 March 2019	**80**	**-**	**527**	**607**
Gross carrying amount as at 1 April 2019	**172,867**	**45,000**	**13,825**	**231,692**
Other additions	-	-	-	-
Disposal/retirements/derecognition	-	-	-	-
Gross carrying amount as at 31 December 2019	**172,867**	**45,000**	**13,825**	**231,692**
Accumulated depreciation as at 1 April 2019	**172,787**	**45,000**	**13,298**	**231,085**
Depreciation	80	-	162	242
Disposal/retirements/derecognition	-	-	-	-
Accumulated depreciation as at 31 March 2020	**172,867**	**45,000**	**13,460**	**231,327**
Carrying amount as at 1 April 2019	**80**	**-**	**527**	**607**
Carrying amount as at 31 March 2020	**-**	**-**	**365**	**365**

(Amount in USD)

2B Other intangible assets

Changes in the carrying amount of other intangible assets

	Internally Generated	Total
	Product Development Cost	
Gross carrying amount as at 1 April 2018	**37,233**	**37,233**
Other additions	325,299	325,299
Disposal/retirements/derecognition	-	-
Gross carrying amount as at 31 March 2019	**362,532**	**362,532**
Accumulated depreciation as at 1 April 2018	**12,429**	**12,429**
Depreciation	79,164	79,164
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2019	**91,593**	**91,593**
Carrying amount as at 1 April 2018	**24,804**	**24,804**
Carrying amount as at 31 March 2019	**270,940**	**270,940**
Gross carrying amount as at 1 April 2019	**362,532**	**362,532**
Other additions	-	-
Disposal/retirements/derecognition	325,299	325,299
Gross carrying amount as at 31 March 2020	**37,233**	**37,233**
Accumulated depreciation as at 1 April 2019	**91,593**	**91,593**
Depreciation	45,028	45,028
Disposal/retirements/derecognition	99,388	99,388
Accumulated depreciation as at 31 March 2020	**37,233**	**37,233**
Carrying amount as at 1 April 2019	**270,940**	**270,940**
Carrying amount as at 31 March 2020	**-**	**-**

		31 March 2020	31 March 2019
3	**Investment in Subsidiaries**		
	Trade Investments (Unquoted)		
	Investments in equity instruments of subsidiaries (at cost)		
	MICROFUZZY KPIT TECNOLOGIA LTDA (erstwhile SYSTIME Global Solutions LtdA, Brazil) Nil (Previous year 1,000) shares of BRL 1 each	-	-
	Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation) 1 (Previous year 1) common share of CAD 1 each	1	1
		1	1

4	**Deferred tax assets**		
	Provision for doubtful debts and advances	271,451	-
	Provision for leave encashment	257,674	255,357
	Bad debts reserve	8,944	14,526
	Others	89,156	47,817
	Commission and Bonus Payable	11,955	1,942
	Loss	-	25,175
		639,180	**344,817**
	Deferred tax liabilities		
	Provision for depreciation	93	55,718
	Provision for doubtful debts	7,536	-
		7,629	55,718
	Net deferred tax asset	**631,551**	**289,099**

(Amount in USD)

		31 March 2020	31 March 2019
5	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Contract Fulfillment Cost	524	-
		524	**-**
6	**Trade recievables**		
	Trade Receivables considered good - Unsecured	19,071,010	23,341,094
	Trade Receivables -credit impaired	5,312	-
		19,076,322	**23,341,094**
	Less: Allowances for bad and doubtful trade receivables	5,312	77,535
		19,071,010	**23,263,559**
7	**Cash and cash equivalents**		
	Cheques in hand	118,206	-
	Balances with banks		
	- In current accounts	1,949,385	1,704,808
		2,067,591	**1,704,808**
8	**Loans**		
	Loans Receivable from related parties (Refer note 21) Considered good - Unsecured		
	Loan to Birlasoft Solutions Mexico.	750	-
		750	**-**
9	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	33,030	50,007
	Contract Fulfillment Cost	60	-
	Advance to suppliers	19,685	2,662
		52,775	**52,669**
10	**Share capital**		
	Authorised:		
	1,000,000 shares common stock		
	Issued subscribed and fully paid up:		
	204,082 (Previous year : 204,082) shares of common stock fully paid up	110,000	110,000
		110,000	**110,000**
11	**Provisions**		
	Provision for employee benefits		
	Compensated Absences	879,594	261,620
		879,594	**261,620**
12	**Trade payables**		
	Total outstanding dues of creditors	5,793,945	8,119,763
		5,793,945	**8,119,763**

(Amount in USD)

		31 March 2020	31 March 2019
13	**Other current financial liabilities**		
	Other than trade payables :		
	Accrued employee costs	1,216,752	1,273,709
	Payable to related parties (Refer Note 21)	481,756	247,535
		1,698,508	**1,521,244**
14	**Other current liabilities**		
	Unearned revenue	884,949	1,881,678
	Statutory remittances	131,502	153,012
		1,016,451	**2,034,690**
15	**Provisions**		
	Provision for employee benefit		
	Compensated Absences	169,055	986,008
		169,055	**986,008**
16	**Revenue from operations**		
	Software services	37,840,589	38,284,199
		37,840,589	**38,284,199**
17	**Other income**		
	Interest income	1,115	3
	Provisions written back	32,583	19,471
	Profit on sale of fixed assets (net)	71,762	200
	Other non operating income	22,585	259,458
		128,045	**279,132**
18	**Employee benefits expense**		
	Salaries, wages and incentives	18,408,968	19,720,409
	Staff welfare expenses	47,941	42,354
		18,456,909	**19,762,763**
19	**Finance costs**		
	Interest expense	1	-
		1	**-**

(Amount in USD)

		31 March 2020	31 March 2019
20	**Other expenses**		
	Travel and overseas expenses (net)	1,626,528	2,034,567
	Transport and conveyance (net)	265,071	228,612
	Cost of service delivery (net)	15,665,235	12,558,043
	Cost of professional sub-contracting (net)	1,919,318	2,978,267
	Rent	8,982	11,657
	Rates & taxes	6,301	10,348
	Communication expenses (net)	128,093	142,403
	Legal and professional fees	122,248	364,674
	Marketing expenses	9,278	113,931
	Printing & stationery	-	93
	Bad debts written off	21,983	-
	Foreign exchange loss (net)	1,996	(193)
	Miscellaneous expenses (net)	62,020	69,459
		19,800,209	**18,511,861**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

21 Related party transactions:

A. Relationship with parent and other subsidiaries

Relationship	Name of related party
Holding Company	Birlasoft Limited, India (Formerly KPIT Technologies Limited)
Subsidiary Companies (Direct Holding)	Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation)
Fellow Subsidiary Companies	"Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)"
	Birlasoft Solutions France (Formerly KPIT Technologies France)
	Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE, United Arab Emirates) (Australia Branch)
	Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE, United Arab Emirates) (Korea Branch)
	Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE, United Arab Emirates)
	Birlasoft Solutions Ltda (Formerly KPIT Technologies Solucoes Em Informatica Ltda)
	Birlasoft Solutions Limited (Formerly KPIT Infosystems Limited (UK))
	Birlasoft Solutions GmbH (Formerly KPIT Solutions GmbH)
	Birlasoft Consulting Inc. (Formerly Sparta Consulting Inc., USA)
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT Technologies (UK) Ltd
	KPIT Infosystems Limited Filial UK, Sweden
	KPIT Technologies Netherlands B.V.
	KPIT Technologies GmbH, Germany
	KPIT (Shanghai) Software Technology Co. Limited, China
	KPIT Technologies Inc., USA
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil
	KPIT Solutions GmbH, Germany
	KPIT Technologies GK, Japan

(Amount in USD)

B. Transactions with related parties

No.	Name of the related party	FY 2019-20		FY 2018-19	
		Amount of transaction 2019-20 (USD)	Balance as at 31 Mar 20 (USD)	Amount of transaction 2018-19 (USD)	Balance as at 31 Mar 19 (USD)
1	**Birlasoft Limited, India (Formerly KPIT Technologies Limited)**				
	Advance given (net)	**(22,402)**	**20,258**	(24,538)	(757)
	Reimbursement of expenses	**(34,000)**		6,568	
	Software service charges	**10,857,825**	**(1,541,483)**	9,317,484	(6,375,725)
	Sale of software services	**9,475**	**3,139**	7,799	2,877
2	**Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation)**				
	Software service charges	**46,883**	**(45,054)**	12,351	1,367
	Sale of software services	**420,587**	**16,657**	1,898,030	255,636
	Investments	**NIL**	**1**	NIL	1
	Reimbursement of expenses	**5,518**	NIL	(310)	NIL
	Advance given (net)	**926**		(1,915)	
3	**Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)**				
	Sale of software services	**12,440,437**	**12,343,530**	14,600,849	16,091,565
	Software service charges	**3,753,972**	**(3,728,738)**	2,540,702	(1,513,600)
	Advance given (net)	**(161,144)**	**(445,978)**	(595,665)	243,931
	Reimbursement of expenses	**2,726,632**		(6,997)	
4	**Birlasoft Solutions France (Formerly KPIT Technologies France)**				
	Sale of software services	**54**	**NIL**	18	18
	Software service charges	**46,489**	**(9,681)**	NIL	NIL
5	**Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE, United Arab Emirates) (Australia Branch)**				
	Software service charges	**NIL**	**NIL**	NIL	20
6	**KPIT Technologies (UK) Ltd**				
	Software service charges	**NIL**	**NA**	1,449	(1,449)
	Sale of software services	**NIL**	**NA**	18,999	19,019
7	**KPIT Technologies GmbH, Germany**				
	Sale of software services	**NIL**	**NA**	105,799	44,863
8	**Birlasoft Consulting Inc. (Formerly Sparta Consulting Inc., USA)**				
	Sale of software services	**16,741**	**17,866**	301,665	282,618
	Software service charges	**1,463,980**	**(203,655)**	750,238	(414,685)
	Advance given (net)	**200**	NA	(2,847)	(2,847)
	Reimbursement of expenses	**107,414**		1,738	
9	**KPIT Technologies Inc., USA**				
	Sale of software services	**NIL**	**NA**	22,870	58,169
	Reimbursement of expenses	**1,566**	**NA**	NIL	NIL
	Advance received (net)	**297,674**	**NA**	28,219	NIL
10	**Birlasoft Solutions GmbH (Formerly KPIT Solutions GmbH)**				
	Sale of software services	**69,694**	**100,256**	30,612	30,612
11	**KPIT Technologies GK, Japan**				
	Sale of software services	**NIL**	**NA**	1,698	1,698

(Amount in USD)

No.	Name of the related party	FY 2019-20		FY 2018-19	
		Amount of transaction 2019-20 (USD)	**Balance as at 31 Mar 20 (USD)**	**Amount of transaction 2018-19 (USD)**	**Balance as at 31 Mar 19 (USD)**
12	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Software service charges	**NIL**	**NA**	396	NIL
13	**KPIT Infosystems Limited (UK)**				
	Sale of software services	**NIL**	**NA**	1,190	NIL
	Software service charges	**NIL**	**NA**	656	(656)
14	**Birlasoft Solutions Limited (Formerly KPIT Infosystems Limited (UK))**				
	Advance given (net)	**(15,520)**	**(15,520)**	NIL	NIL
	Software service charges	**146,098**	**4,923**		
	Sale of software services	**NIL**	**1,190**	NIL	NIL
15	**Birlasoft Inc**				
	Reimbursement of expenses	**(36,990)**	**(4,455)**	NIL	NIL
16	**Birlasoft Solutions Mexico**				
	Loan given	**746**	**750**	NIL	NIL
	Interest Income	**4**			

22 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

For and on behalf of the Board of Directors of
Birlasoft Computer Corporation, USA
(Erstwhile Known as SYSTIME Computer Corporation, USA)

Dharmander Kapoor
Director

Place: Faridabad
Date: 20 May 2020

Roopinder Singh
Director

Place: New Jersey
Date: 20 May 2020

Birlasoft Inc.

Registered Office: 399, Thornall Street, 8th Floor, Edison, New Jersey 08837, USA.

Board's Report

Dear Shareholders,

Your Board of Directors are pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 USD (Million)	2018-19 USD (Million)
Total Income	129.61	119.22
Net Profit / (Loss) for the year	8.15	0.23

Operations

During the year under review, total income of the Company increased by 8.72% and the profit increased by USD 7.92 Million.

Change in Management

During the year under review, Mr. Anjan Lahiri resigned from his position of Director w.e.f. June 1, 2019; and Mr. Prasad Thrikutam was appointed on the Board of Directors w.e.f. May 24, 2019.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent Company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Balance Sheet

As at 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	141,588	180,276
Right-of-use assets	2A	366,302	-
Financial assets			
(i) Investments	3	8,341,264	8,341,264
Deferred tax assets (net)	4	1,893,419	1,667,895
		10,742,573	**10,189,435**
Current assets			
Financial assets			
(i) Trade receivables	5	16,437,726	15,963,314
(ii) Cash and cash equivalents	6	12,629,231	3,460,761
(iii) Loans	7	7,576,234	7,614,018
(iv) Other financial assets	8	2,993,756	2,207,474
Other current assets	9	3,408,034	3,088,604
		43,044,981	32,334,171
TOTAL		**53,787,554**	**42,523,607**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	3,379,393	3,379,393
Other equity		34,875,619	26,728,993
		38,255,012	**30,108,386**
Non-current liabilities			
Lease Liabilities		208,435	-
Other non current liabilities	11	-	39,287
		208,435	**39,287**
Current liabilities			
Financial liabilities			
(i) Trade payables	12	306,789	2,213,635
(ii) Lease Liabilities		205,433	-
(iii) Other financial liabilities	13	9,061,401	7,360,764
Other current liabilities	14	3,140,100	2,253,789
Current tax liabilities (net)	15	2,610,384	547,746
		15,324,107	**12,375,934**
TOTAL		**53,787,554**	**42,523,607**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2-23		

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Statement of Profit and Loss
For the year ended on 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
Revenue from operations			
Sale of services	16	129,586,605	1,19,174,479
Other income	17	27,242	45,042
Total income		**1,29,613,847**	**1,19,219,522**
Expenses			
Employee benefits expense	18	41,965,245	43,117,764
Finance Cost	19	44,624	26,287
Depreciation and amortization	2A	265,771	73,150
Other expenses	20	76,575,894	76,224,765
Total expenses		**1,18,851,534**	**119,441,966**
Profit before tax		**10,762,313**	**(222,445)**
Tax expenses			
Current tax		2,841,213	802,260
Deferred tax		(225,524)	(1,254,084)
Total tax expense		**2,615,689**	**(451,824)**
Profit for the year		**8,146,624**	**229,379**
Other comprehensive income		**-**	**-**
Total comprehensive income		**8,146,624**	**2,29,379**
Earnings per equity share for continuing operations (face value per share $ 0.05 each)			
Basic		0.8	0.02
Diluted		0.8	0.02
Significant accounting policies		1	
Notes referred to above form an integral part of the financial statements		2-23	

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Statement of Cash Flows
For the year ended on 31 March 2020

(Amount in USD)

PARTICULARS	31 March 2020	31 March 2019
A]CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	8,146,624	229,379
Adjustments for		
Income tax expense	2,615,689	(451,824)
Depreciation / Amortization	265,771	73,150
Interest expense	44,353	22,244
Amortisation of ESOP compensation expense	118,056	-
Operating Profit before working capital changes	11,190,493	(127,050)
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(12,70,703)	(2,432,166)
Loans, other financials assets and other assets	2,044,365	538,110
Trade Payables	(1,906,846)	2,773,412
Other financial liabilities, other liabilities and provisions	1,683,550	35,02,955
Cash generated from operations	11,740,859	4,255,260
Taxes Paid	(2,316,000)	(802,260)
Net cash from operating activities (A)	**94,24,859**	**3,453,000**
B]CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(27,580)	(53,890)
Net Cash from /(used in) investing activities(B)	**(27,580)**	**(53,890)**
C]CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(228,811)	-
Interest and finance charges	-	(22,244)
Net cash from /(used in) financing activities(C)	**(2,28,811)**	**(22,244)**
D]Exchange differences on translation of - foreign currency cash and cash equivalents	**-**	
Net Increase / (decrease) in cash and cash equivalents (A + B + C + D)	**91,68,468**	**3,376,866**
Cash & cash equivalents at close of the year (refer note 1 below)	1,26,29,231	34,60,761
Cash & cash equivalents at beginning of the year (refer note 1 below)	34,60,761	83,896
Cash surplus / (deficit) for the year	**91,68,470**	**3,376,865**
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	-	-
Balance with banks		
In current accounts	1,26,29,231	3,460,761
Total Cash and cash equivalents	1,26,29,231	3,460,761
Cash and cash equivalents at the end of the year	**1,26,29,231**	**3,460,761**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Statement of changes in equity
For the year ended on 31 March 2020

(Amount in USD)

A Equity share capital	Number of Shares	Amount
Balance as at 1 April 2018	10,000,000	3,379,393
Changes in equity share capital during 2018-19	-	-
Balance as at 31 March 2019	10,000,000	3,379,393
Changes in equity share capital during 2019-20	-	-
Balance as at 31 March 2020	10,000,000	3,379,393

BOther equity

Particulars	Retained earnings	Total
Balance as on 01 April 2018	**26,499,616**	**26,499,616**
Profit for the year	229,379	229,379
Other comprehensive income	-	-
Total comprehensive income for the year	2,29,379	229,379
Balance as on 31 March 2019	**26,728,995**	**26,728,995**
Profit for the year	8,146,624	8,146,624
Other comprehensive income	-	-
Total comprehensive income for the year	81,46,624	8,146,624
Balance as on 31 March 2020	**34,875,619**	**34,875,619**

Retained earnings represents the amount that can be distributed by the Company to its equity shareholders considering the requirements of Companies Act, 2013.

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Notes forming part of the Financial Statements for the year ended on 31 March 2020

Company Overview:

Birlasoft Inc. (the "Company") incorporated in the state of Delaware in March 1995. Birlasoft is substantially owned by Birlasoft Limited (the "Parent"), an Indian corporation.

The Group provides specialized computer-related consulting and custom programming solutions to customers located throughout the world.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

"The financial statements are prepared in accordance with the Indian Accounting Standards (""Ind-AS"") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in US Dollar (""USD""),unless otherwise stated."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition:

The Company recognizes revenue when or as performance obligation i.e. delivery has occurred or services are rendered in an amount that reflects the consideration expected to be received in exchange for goods or service.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method , the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

The Company recognizes revenue when or as performance obligation i.e. delivery has occurred or services are rendered in an amount that reflects the consideration expected to be received in exchange for goods or service. Cash payments received but unearned are recorded as deferred revenue. The Company accounts for discounts as a reduction of revenue based on the ratable allocation of the discounts to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount.

Revenues recognized in excess of amounts billed, if any, are classified as current assets under

Unbilled Accounts Receivable. The Earnings in excess of billings are classified as unbilled revenue while billings in excess of earnings are classified as unearned revenue.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Property and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Assets under construction are disclosed as capital work-in-progress.

1.6 Intangible assets

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

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

1.7 Depreciation:

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 Number of years
Computers	4
Office Equipment	10
Furniture and fixtures	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.

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

Capitalized development costs are amortized over a period of 3 years.

1.8 Leases

The Company has primarily leased rental offices premises , guest house, parking space, laptops etc across multiple locations.

The Ministry of Corporate Affiairs (MCA) notified IND AS 116 , the new lease accounting standard on March 30 2019 and came into force with effect from April 01 2019. IND AS 116 has replaced the guidance in IND AS 17 “Leases”. The effect of initially applying this standard is recognised at date of initial application (i.e. April 01 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the company has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.9 Significant accounting policy in the annual report of the company for the year ended March 31 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is significant.

At the inception of contract the Company assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to :
- Obtains substantially all the economic benefits from using the asset and
- direct the use of asset

1. As a lessee

The Company recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost , which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The Company generally uses incremental borrowing rate as discount rate.The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments. The Company presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in the statement of financial position.

2. Extension and termination of lease

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.

3. Short term leases and low value assets

The Company has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

4. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss ,if any ,is recognised in statement of profit and loss.

1.10 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.11 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

1.12 Employee benefits

Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The 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.

1.13 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.14 Investments:

Long Term investments are stated at cost less provision for diminution, other than temporary, in value of such investments.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.16 Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

1.17 Employee stock option

In respect of stock options granted by the parent company, pursuant to the Group's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

Use of Estimates:

The preparation of financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

(Amount in USD)

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

	Computers	Furniture and Fixtures	Office Equipments	Softwares	ROU Lease Assets	Total
Gross carrying amount as at 1 April 2018	**290,942**	**259,468**	**43,365**	**629,866**	**-**	**1,223,641**
Other additions	53,890	-	-	-	-	53,890
Disposal/retirements/derecognition	-	-	-	-	-	-
Gross carrying amount as at 31 March 2019	**344,832**	**259,468**	**43,365**	**629,866**	**-**	**1,277,531**
Accumulated depreciation as at 1 April 2018	**187,439**	**187,532**	**19,268**	**629,866**	**-**	**1,024,105**
Depreciation	51,761	14,244	7,145	-	-	73,150
Disposal/retirements/derecognition	-	-	-	-	-	
Accumulated depreciation as at 31 March 2019	**239,200**	**201,776**	**26,413**	**629,866**	**-**	**1,097,255**
Carrying amount as at 1 April 2018	**103,503**	**71,936**	**24,097**	**-**	**-**	**199,536**
Carrying amount as at 31 March 2019	**105,632**	**57,692**	**16,952**	**-**	**-**	**180,276**
Gross carrying amount as at 1 April 2019	344,832	259,468	43,365	629,866	-	1,277,531
Other additions	27,580	-	-	-	565,805	593,385
Disposal/retirements/derecognition	-	-	-	-	-	-
Gross carrying amount as at 31 March 2020	372,412	259,468	43,365	629,866	565,805	1,870,916
Accumulated depreciation as at 1 April 2019	**239,200**	**201,776**	**26,413**	**629,866**	**-**	**1,097,255**
Depreciation	51,852	11,930	2,486	-	199,503	265,771
Disposal/retirements/derecognition	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2020	2,91,052	213,706	28,899	629,866	199,503	1,363,026
Carrying amount as at 1 April 2019	**105,632**	**57,692**	**16,952**	**-**	**-**	**180,276**
Carrying amount as at 31 March 2020	**81,360**	**45,762**	**14,466**	**-**	**366,302**	**507,890**

3 **Non current investments**

(Amount in USD)

	31 March 2020	31 March 2019
Trade Investments (Unquoted)		
Investments in equity instruments of subsidiaries (at cost)		
Birlasoft UK Ltd.	278,780	278,780
Enablepath LLC	8,062,484	8,062,484
	8,341,264	**8,341,264**

4 **Deferred tax assets**

(Amount in USD)

	31 March 2020	31 March 2019
- Provision for doubtful debts and advances	2,245	8,566
- Provision for leave encashment	412,376	367,480
- Accrued Expenses	1,236,871	915,936
- Lease liabilities	104,531	-
- Others	261,005	375,913
	2,017,028	1,667,895
Deferred tax liabilities		
- Provision for depreciation	31,092	-
- Right-of-use assets	92,517	-
	123,609	-
Net deferred tax asset	**1,893,419**	**1,667,895**

5 **Trade receivables**

(Amount in USD)

	31 March 2020	31 March 2019
(Unsecured)		
Trade receivables		
Considered good	16,398,169	15,963,314
credit impaired	48,445	36,130
	16,446,614	15,999,444
Less: Allowances for bad and doubtful 8,888 trade receivables	36,130	
	16,437,726	**15,963,314**

6 **Cash and bank balances**

(Amount in USD)

	31 March 2020	31 March 2019
Balances with banks		
In current accounts	12,629,231	3,460,761
	12,629,231	**3,460,761**

7 **Loans**

(Amount in USD)

	31 March 2020	31 March 2019
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties		
Dues from related parties	7,486,443	7,524,778
Loans and advances to other than related parties		
Security deposits	89,791	89,240
	7,576,234	**7,614,018**

8 **Other fInancial Assets**

(Amount in USD)

	31 March 2020	31 March 2019
Other receivables	-	10,009
Unbilled Revenue	2,993,756	2,197,465
	2,993,756	**2,207,474**

9 **Other current assets**

(Amount in USD)

	31 March 2020	31 March 2019
(Unsecured, considered good unless otherwise stated)		
Contract Assets	637,600	542,408
Employee advances	103,348	35,391
Advance to suppliers	51,296	76,621
Prepaid expenses	477,572	1,436,040
Balances with statutory authorities	2,138,218	998,144
	3,408,034	**3,088,604**

10 **Share capital**

(Amount in USD)

	31 March 2020	31 March 2019
Authorised:		
20,000,000 shares common stock		
Issued subscribed and fully paid up:		
10,000,000 (Previous year : 10,000,000) shares of common stock fully paid up; $ 0.05 Par Value	500,000	500,000
Additional Paid up Capital	2,879,393	2,879,393
	3,379,393	**3,379,393**

11 **Other non current liabilities**

(Amount in USD)

	31 March 2020	31 March 2019
Lease equilisation Non Current	-	39,287
	-	**39,287**

12 **Trade payables**

(Amount in USD)

	31 March 2020	31 March 2019
Trade payables	306,789	2,213,635
	306,789	**2,213,635**

13 **Other current financial liabilities**

(Amount in USD)

	31 March 2020	31 March 2019
Accrued Expenses	3,093,986	2,747,051
Payable to related parties	2,471,554	1,346,130
Security deposits	10,374	10,374
Accrued employee costs	3,485,487	3,257,209
	9,061,401	**7,360,764**

14 Other current liabilities

(Amount in USD)

	31 March 2020	31 March 2019
Advances from customers	472,712	445,488
Statutory remittances	1,373	2,419
Deferred income	2,627,162	1,728,728
Lease equalisation	1,935	34,306
Others	36,918	42,848
	3,140,100	**2,253,789**

15 Current tax liabilities (net)

(Amount in USD)

	31 March 2020	31 March 2019
Provision for taxes		
Income Tax Provision	2,610,384	547,746
	2,610,384	**547,746**

16 Revenue from operations

(Amount in USD)

	31 March 2020	31 March 2019
Revenue from services	129,586,605	119,174,479
	129,586,605	**119,174,479**

17 Other income

(Amount in USD)

	31 March 2020	31 March 2019
Other non operating income	-	30,448
Provision for doubtful debts, unbilled revenue and advances (net)	27,242	14,594
	27,242	**45,042**

18 Employee benefits expense

(Amount in USD)

	31 March 2020	31 March 2019
Salaries, wages and incentives	41,870,392	43,038,345
Staff welfare expenses	94,853	79,420
	41,965,245	**43,117,764**

19 Finance costs

(Amount in USD)

	31 March 2020	31 March 2019
Interest on lease liabilities	44,353	-
Interest expense	-	22,244
Bank Charges	271	4,042
	44,624	**26,287**

20 Other expenses

(Amount in USD)

	31 March 2020	31 March 2019
Travel and overseas expenses (net)	2,812,326	2,680,048
Cost of service	475,816	488,044
Cost of Offshore Development	47,808,937	51,257,551
Cost of professional sub-contracting (net)	23,178,093	18,614,843
Recruitment and training expenses	655,998	1,77,337
Rent	60,666	231,622
Repairs and maintenance - Office	78,637	72,346
Insurance	85,169	68,491
Communication expenses (net)	278,845	273,077
Legal and professional fees	737,638	1,468,687
Marketing expenses	240,352	417,306
Director Fee	-	76,000
Miscellaneous expenses (net)	163,417	399,413
	76,575,894	**76,224,765**

21 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

22 Related party transactions:

A. Relationship with parent and other subsidiaries

Relationship	Name of related party
Parent	Birlasoft Limited
Subsidiary Companies	Enablepath LLC
	Birlasoft UK Limited
	Birlasoft GMBH
Fellow Subsidiary Companies	Birlasoft Solutions Inc. USA (erstwhile KPIT Infosystems Incorporated, USA)
	Birlasoft Solutions France (erstwhile KPIT Technologies France SAS)
	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation, USA)
	Birlasoft Consulting Inc. (erstwhile Sparta Consulting Inc.) (Subsidiary of Birlasoft Solutions Inc.)
	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)

B. Transactions with related parties

No.	Name of the related party	Amount of transaction 2019-20 (USD)	Balance as at 31 March 2020 (USD)	Amount of transaction 2018-19 (USD)	Balance as at 31 March 2019 (USD)
1	**Birlasoft Limited**				
	Transfer pricing transactions	**129,500**	**(1,000,865)**	(318,509)	(1,130,365)
	Salary Advance to US Transfers	**(142,259)**	**(216,507)**	(74,248)	(74,248)
2	**Birlasoft UK Limited**				
	Cost Transfers	**(535,821)**	**NIL**	(31,673)	(1,470)
3	**Enablepath LLC**				
	Cost Transfers	**(38,336)**	**7,486,443**	327,714	7,524,778
4	**Birlasoft Technologies Canada Corporation**				
	Software service charges	**562,521**	**(41,585)**	(141,517)	(141,517)
5	**Birlasoft Solutions France**				
	Software service charges	**131,995**	**(131,995)**	NIL	NIL
6	**Birlasoft Solutions Inc. USA**				
	Reimbursment of expenses	**125,163**	**14,541**	NIL	NIL
	Software service charges	**NIL**	**(144,000)**	NIL	NIL
7	**Birlasoft Computer Corporation,USA**				
	Reimbursment of expenses	**4,679**	**4,455**	NIL	NIL
8	**Birlasoft Consulting Inc. USA**				
	Reimbursment of expenses	**36,990**	**2,994**	NIL	NIL

23 Events after the reporting period

There are no events that have occurred after the reporting period which requires disclosure.

For and on behalf of the Board of Directors
Birlasoft Inc.

New Delhi
May 20, 2020

Amita Birla
Director

Enablepath LLC

Registered Office: 399, Thornall Street, 8th Floor, Edison, New Jersey 08837, USA.

Board's Report

Dear Shareholders,

Your Company is pleased to present herewith the Report on the Operations together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 USD (Million)	2018-19 USD (Million)
Total Income	-	0.19
Net Profit / (Loss) for the period	(0.37)	(0.85)

Operations

During the year, the Company did not generate any revenue.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent Company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Balance Sheet

As at 31 March 2020

(Amount in USD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	-	1,648
Goodwill	2B	1,496,360	1,870,460
Deferred tax assets (Net)	3	773,524	773,524
		2,269,884	**2,645,632**
Current assets			
Financial assets			
(ii) Cash and cash equivalents	4	1,468	40,544
		1,468	40,544
TOTAL		**2,271,352**	**2,686,176**
EQUITY AND LIABILITIES			
Equity			
Corpus	5	80,62,484	80,62,484
Other equity	B	(13,277,575)	(12,901,086)
		(5,215,091)	**(4,838,602)**
Current liabilities			
Financial liabilities			
(ii) Other financial liabilities	6	74,86,443	75,24,778
		7,486,443	**7,524,778**
TOTAL		**2,271,352**	**2,686,176**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2-12		

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Statement of Profit and Loss
For the year ended on 31st March 2020

(Amount in USD)

	Note	31 Mar 2020	31 Mar 2019
Revenue from operations			
Sale of services	7	-	187,148
Total income		**-**	**187,148**
Expenses			
Employee benefits expense	8	-	232,823
Finance Cost	9	740	3,129
Depreciation and amortization	2	375,748	511,759
Other expenses	10	-	262,768
Total expenses		**376,488**	**1,010,479**
Profit before tax		**(376,488)**	**(823,331)**
Tax expense			
Deferred tax		-	31,023
Total tax expense		**-**	**31,023**
Profit for the year		**(376,488)**	**(854,353)**
Other comprehensive income		**-**	**-**
Total comprehensive income		**(376,488)**	**(854,353)**
Significant accounting policies	1		
Notes referred to above form an form an integral part of the financial statements	2-12		

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Statement of cash flow
For the year ended on 31st March 2020

(Amount in USD)

PARTICULARS	31 Mar 2020	31 Mar 2019
A]CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	(376,488)	(854,353)
Adjustments for		
Income tax expense	-	31,023
Profit/Loss on sale of Property Plant and Equipment (net)	-	-
Depreciation / Amortization	375,748	511,759
Interest income	-	-
Dividend income	-	-
Operating Profit before working capital changes	**(740)**	**(3,11,571)**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	-	325,613
Loans, other financials assets and other assets	-	124,638
Trade Payables	-	(310,894)
Other financial liabilities, other liabilities and provisions	(38,335)	194,911
Cash generated from operations	**(39,075)**	**22,696**
Taxes Paid	-	-
Net cash from operating activities (A)	**(39,075)**	**22,696**
C] Net Increase / (decrease) in cash and cash equivalents (A + B)	**(39,075)**	**22,696**
Cash & cash equivalents at close of the year (refer note 1 below)	1,468	40,544
Cash & cash equivalents at beginning of the year (refer note 1 below)	40,544	17,849
Cash surplus / (deficit) for the year	**(39,076)**	**22,694**
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	-	-
Balance with banks		
In current accounts	1,468	40,544
Total Cash and cash equivalents	**1,468**	**40,544**
Cash and cash equivalents at the end of the year	**1,468**	**40,544**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Statement of Cash Flows.

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Statement of changes in equity

for the year ended on 31st March 2020

(Amount in USD)

	Number of shares	Amount
A Corpus		
Balance as at 1 April 2018	-	8,062,484
Changes during 2016-17	-	-
Balance as at 31 March 2019	-	8,062,484
Changes during 2017-18	-	-
Balance as at 31 March 2020	-	8,062,484

* As this Limited liability corporation, there is no share capital. Birlasoft Inc is having 100% ownership in Enablepath.

B Other equity

Particulars	Retained earnings	Total
Balance as on 01 April 2018	**(12,046,728)**	**(12,046,728)**
Profit for the year	(854,353)	(854,353)
Other comprehensive income	-	-
Total comprehensive income for the year	(8,54,353)	(854,353)
Balance as on 31 March 2019	**(12,901,086)**	**(12,901,086)**
Profit for the year	**(376,488)**	**(376,488)**
Other comprehensive income	-	-
Total comprehensive income for the year	**(3,76,488)**	**(376,488)**
Balance as on 31 March 2020	**(13,277,575)**	**(13,277,575)**

Retained earnings represents the amount that can be distributed by the Company to its equity shareholders considering the requirements of Companies Act, 2013.

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Notes forming part of the Financial Statements

Company Overview:

Enablepath LLC owned by Birlasoft Inc. (the "Company") incorporated in the state of Delaware in March 1995. The Company is a wholly owned subsidiary of Birlasoft Limited (Erstwhile KPIT Technologies Limited).

The Group provides specialized computer-related consulting and custom programming solutions to customers located throughout the world.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financials statements.No audit opinion has been sought in respect of these financials statements.The accounts are prepared from the internally prepared management accounts of the Company.The same management accounts are audited in order for the group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of parent Company.Hence,no seperate audit report is given in respect of the Company.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

"The financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in US Dollar ("USD"), unless otherwise stated."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition:

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

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

“Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method (‘POC method’) of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation.

- Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the entity is acting as an agent.”

“Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers. “

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

Unearned revenue (“contract liability”) is recognised when there is billings in excess of revenues.

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

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

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

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

Use of significant judgements in revenue recognition

The entity’s contracts with customers could include promises to transfer multiple products and services to a customer. The entity assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The entity allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The entity uses judgement to determine an appropriate standalone selling price for a performance obligation. The entity 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 entity uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The entity exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The entity 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.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Property and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Assets under construction are disclosed as capital work-in-progress.

1.6 Intangible assets

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

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

1.7 Depreciation:

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 Number of years
Computers	4
Office Equipment	10
Furniture and fixtures	8

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.

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

Capitalized development costs are amortized over a period of 3 years.

1.8 Leases

The entity has primarily leased rental offices premises , guest house, parking space, laptops etc across multiple locations.

“The Ministry of Corporate Affairs (MCA) notified IND AS 116 , the new lease accounting standard on March 30, 2019 and came into force with effect from April 01, 2019. IND AS 116 has replaced the guidance in IND AS 17 “”Leases””. The effect of initially applying this standard is recognised at date of initial application (i.e. April 01, 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17. The impact of adoption of this accounting standard is significant.”

The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is significant.

At the inception of contract the entity assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to:

- Obtains substantially all the economic benefits from using the asset and

- Direct the use of asset

a. As a lessee

The entity recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost, which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.

The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The entity generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments.

The entity presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in the statement of financial position.

b. Extension and termination of lease

The entity 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 entity is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the entity is reasonably certain not to exercise that option. In assessing whether the entity 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 entity to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The entity revises the lease term if there is a change in the non-cancellable period of a lease.

c. Short term leases and low value assets

The entity has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The entity recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

d. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss , if any ,is recognised in statement of profit and loss.

1.10 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.11 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

1.12 Employee benefits

Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The 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.

1.13 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.14 Investments:

Long Term investments are stated at cost less provision for diminution, other than temporary, in value of such investments.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.16 Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

1.17 Employee stock option

In respect of stock options granted by the parent company, pursuant to the Group's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

Notes forming part of the Financial Statements

for the year ended on 31st March 2020

(Amount in USD)

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

	Computers	Furniture & Fixtures	Total
Gross carrying amount as at 1 April 2018	**95,010**	**44,477**	**139,486**
Other additions	-	-	-
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2019	**95,010**	**44,477**	**139,486**
Accumulated depreciation as at 1 April 2018	**89,202**	**44,477**	**133,679**
Depreciation	4,159	-	4,159
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2019	**93,362**	**44,477**	**137,838**
Carrying amount as at 1 April 2018	5,807	-	5,807
Carrying amount as at 31 March 2019	**1,648**	**-**	**1,648**
Gross carrying amount as at 1 April 2019	**95,010**	**44,477**	**139,486**
Additions on account of merger	-	-	-
Other additions	-	-	-

(Amount in USD)

	Computers	Furniture & Fixtures	Total
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2020	**95,010**	**44,477**	**139,486**
Accumulated depreciation as at 1 April 2019	**93,362**	**44,477**	**137,838**
Additions on account of merger	-	-	-
Depreciation	1,648	-	1,648
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2020	**95,010**	**44,477**	**139,486**
Carrying amount as at 1 April 2019	**1,648**	**-**	**1,648**
Carrying amount as at 31 March 2020	**-**	**-**	**-**

2B Other intangible assets

Changes in the carrying amount of other intangible assets

	Intangible Assets	Goodwill	Total
Gross carrying amount as at 1 April 2018	**3,390,000**	**3,740,951**	**7,130,951**
Additions on account of merger	-	-	-
Other additions	-	-	-
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2019	**3,390,000**	**3,740,951**	**7,130,951**
Accumulated depreciation as at 1 April 2018	**3,256,500**	**1,496,391**	**4,752,891**
Additions on account of merger	-	-	-
Depreciation	133,500	374,100	507,600
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2019	**3,390,000**	**1,870,491**	**5,260,491**
Carrying amount as at 1 April 2018	**133,500**	**2,244,560**	**2,378,060**
Carrying amount as at 31 March 2019	**-**	**1,870,460**	**1,870,460**
Gross carrying amount as at 1 April 2019	**3,390,000**	**3,740,951**	**7,130,951**
Other additions	-	-	-
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2020	**3,390,000**	**3,740,951**	**7,130,951**
Accumulated depreciation as at 1 April 2019	**3,390,000**	**1,870,491**	**5,260,491**
Depreciation	-	374,100	374,100
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2020	**3,390,000**	**2,244,591**	**5,634,591**
Carrying amount as at 1 April 2019	**-**	**1,870,460**	**1,870,460**
Carrying amount as at 31 March 2020	**-**	**1,496,360**	**1,496,360**

		31 March 2020	31 March 2019
3	**Deferred tax assets**		
	Intangibles	727,086	727,086
	Others	46,438	46,438
		773,524	773,524
	Deferred tax liabilities		
	Accumulated depreciation	-	-
		-	-
	Net deferred tax asset	**773,524**	**773,524**
4	**Cash and bank balances**		
	Balances with banks		
	In current accounts	1,468	40,544
		1,468	**40,544**

(Amount in USD)

		31 March 2020	31 March 2019
5	**Equity share capital (Corpus)**		
	Issued subscribed and fully paid up:	8,062,484	8,062,484
	100% Ownership with Birlasoft Inc		
		8,062,484	**8,062,484**
6	**Other current financial liabilities**		
	Payable to related parties	7,486,443	7,524,778
		7,486,443	**7,524,778**
7	**Revenue from operations**		
	Revenue from Services	-	187,148
		-	**187,148**
8	**Employee benefits expense**		
	Salaries, wages and incentives	-	232,222
	Staff welfare expenses	-	601
		-	**232,823**
9	**Finance costs**		
	Bank Charges	740	3,129
		740	**3,129**
10	**Other expenses**		
	Travel and overseas expenses (net)	-	12,721
	Cost of professional sub-contracting (net)	-	119,106
	Recruitment and training expenses	-	212
	Rent	-	5,849
	Repairs and maintenance - Office	-	105,917
	Insurance	-	118
	Communication expenses (net)	-	4,146
	Marketing expenses	-	688
	Provision for doubtful debts, unbilled revenue and advances (net)	-	14,000
	Miscellaneous expenses (net)	-	13
		-	**262,768**

11 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

12 Related party transactions:

A. Relationship with parent and other subsidiaries

Relationship	Name of related party
Ultimate Parent	Birlasoft Inc

B. Transactions with related parties

No.	Name of the related party	Amount of transaction 2019-20 (USD)	Balance as at 31 March 2020 (USD)	Amount of transaction 2018-19 (USD)	Balance as at 31 March 2019 (USD)
1	**Birlasoft Inc.**				
	Cost Transfers	**38,336**	**(7,486,443)**	(327,714)	(7,524,778)

For and on behalf of the Board of Directors
Enablepath LLC

New Delhi
May 20, 2020

Amita Birla
Director

Birlasoft Technologies Canada Corporation

(Formerly KPIT Technologies Corporation)
Registered Office: 8120-128 Street, Surrey BC V3W 1R1, Canada.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 CAD (Million)	2018-19 CAD (Million)
Total Income	17.79	23.08
Net Profit / (Loss) for the period	1.89	3.24

Operations

During the year under review, total income of the Company has decreased by 22.90% which resulted in net profit of CAD 1.89 million.

Change in Board of Directors

During the year, Mr. Anjan Lahiri and Mr. Pawan Sharma ceased to be the Directors. Further, Mr. Dharmander Kapoor, Mr. Baljeet S Chhazal and Ms. Indu Nangia were appointed as Directors.

Audit

The Company is required by the local laws to have an independent audit firm to audit the books of accounts of the Company and to issue a report to the shareholders. However, such requirement is waived by shareholders by passing a resolution. Therefore, no audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation

New Jersey
May 20, 2020

Indu Nangia
Director

Balance Sheet

As at 31 March 2020

(Amount in CAD)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
Income tax assets (net)		510,164	148,064
Loans	6	2,109,722	5,351,227
		2,619,886	**5,499,291**
Current assets			
Financial assets			
Trade receivables	2	6,242,937	6,187,881
Cash and cash equivalents	3	5,604,124	6,664,366
Loans	4	3,689,135	133,198
Unbilled Revenue		572,083	832,889
Other current assets	5	350,064	254,387
		16,458,343	**14,072,720**
TOTAL ASSETS		**19,078,229**	**19,572,011**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	1	1
Other equity		15,462,699	13,575,505
		15,462,700	**13,575,506**
Liabilities			
Non-Current liabilities			
Provisions	8	147,271	161,458
		147,271	**161,458**
Current liabilities			
Financial liabilities			
Trade payables	9	1,770,366	5,007,892
Other financial liabilities	10	287,833	215,156
Other current liabilities	11	1,359,153	537,381
Provisions	12	36,267	74,618
Current income tax liability (net)		14,639	-
		3,468,258	**5,835,047**
TOTAL EQUITY AND LIABILITIES		**19,078,229**	**19,572,011**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 19		

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Baljeet Chhazal
Director
California
May 20, 2020

Indu Nangia
Director
New Jersey
May 20, 2020

Statement of Profit and Loss

For the year ended on 31st March 2020

(Amount in CAD)

	Note	31 March 2020	31 March 2019
Revenue from operations	13	17,108,951	22,729,629
Other income	14	685,033	348,086
Total income		**17,793,984**	**23,077,715**
Expenses			
Employee benefits expense	15	5,021,366	5,602,614
Finance costs	16	-	48
Other expenses	17	10,169,385	13,023,067
Total expenses		**15,190,751**	**18,625,729**
Profit before tax		**2,603,233**	**4,451,986**
Tax expense			
Current tax		716,039	1,211,693
Total tax expense		**716,039**	**1,211,693**
Profit for the year		**1,887,194**	**3,240,293**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**1,887,194**	**3,240,293**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 19		

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Baljeet Chhazal
Director
California
May 20, 2020

Indu Nangia
Director
New Jersey
May 20, 2020

Statement of Cash Flow

for the year ended on 31st March 2020

(Amount in CAD)

PARTICULARS	31 Mar 2020	31 Mar 2019
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	1,887,194	3,240,293
Adjustments for		
Income tax expense	716,039	1,211,693
Interest income	(174,966)	(121,197)
Unrealised foreign exchange Loss	-	-
Operating Profit before working capital changes	**2,428,267**	**4,330,789**
Adjustments for changes in working capital:		
Trade Payables	(3,237,526)	1,298,514
Other financial liabilities, other liabilities and provisions	841,911	(842,623)
Trade receivables and unbilled revenue	205,750	(225,682)
Other current assets	(95,677)	(215,222)
Cash generated from operations	142,725	4,345,777
Taxes Paid	(1,063,500)	(1,660,707)
Net cash from operating activities (A)	(920,775)	2,685,070
B] CASH FLOW FROM INVESTING ACTIVITIES		
Loan given to related parties	(314,433)	3,034,128
Loan given to related parties Non Current	(5,351,227)	
Interest received	174,966	121,197
Net Cash from /(used in) investing activities (B)	**(139,467)**	**(2,195,902)**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**(1,060,242)**	**489,168**
Cash & cash equivalents at close of the year (refer note 1 below)	5,604,124	6,664,366
Cash & cash equivalents at beginning of the year (refer note 1 below)	6,664,366	6,175,198
Cash surplus / (deficit) for the year	**(1,060,242)**	**489,168**
Note 1:		
Cash and cash equivalents include:		
Balance with banks		
Cheques in hand	-	156,934
In current accounts	5,604,124	6,507,432
Total Cash and cash equivalents	**5,604,124**	**6,664,366**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Satement of Cash Flows.

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Baljeet Chhazal
Director
California
May 20, 2020

Indu Nangia
Director
New Jersey
May 20, 2020

Statement of changes in equity

For the year ended on 31st March 2020

(Amount in CAD)

A Equity share capital	Amount
Balance as at 1 April 2018	1.00
Changes in equity share capital during 2017-18	-
Balance as at 31 March 2019	1.00
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2020	1.00

B Other equity

Particulars	Retained earnings	Total
Balance as on 01 April 2018	**10,335,212**	**10,335,212**
Total comprehensive income for the year 2018-19	3,240,293	3,240,293
Balance as on 31 March 2019	**13,575,505**	**13,575,505**
Total comprehensive income for the year 2019-20	1,887,194	1,887,194
Balance as on 31 March 2020	**15,462,699**	**15,462,699**

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Baljeet Chhazal
Director
California
May 20, 2020

Indu Nangia
Director
New Jersey
May 20, 2020

Notes forming part of the Financial Statements

For the year ended on 31st March 2020

Company Overview:

Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation) ("the Company") is a Company incorporated in British Columbia, Canada on January 21, 1997. The Company is a wholly owned subsidiary of Birlasoft Computer Corporation, USA (Erstwhile Known as SYSTIME Computer Corporation, USA) . The ultimate holding company is Birlasoft Limited (Erstwhile KPIT Technologies Limited, India).

The Company is engaged in the business of providing software consultancy services in the areas of Enterprise Resource Planning, Customer Relationship Management, Supply Chain Management, Business Intelligence, Business Integration, Human Resource Management, Infrastructure Management Services and Strategic Sourcing.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

"The financial statements have been prepared in accordance with the Indian Accounting Standards (""Ind-AS"") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in Canadian Dollars ("CAD") and are rounded off to nearest CAD."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition:

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

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation.

- Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the entity is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers.

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

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

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

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

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

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

Use of significant judgements in revenue recognition

The entity's contracts with customers could include promises to transfer multiple products and services to a customer. The entity assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The entity allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The entity uses judgement to determine an appropriate standalone selling price for a performance obligation. The entity 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 entity uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The entity exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The entity 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.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Impairment

a. Financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recorded as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

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

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

ii. Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.7 Leases

The entity has primarily leased rental offices premises , guest house, parking space, laptops etc across multiple locations.

"The Ministry of Corporate Affairs (MCA) notified IND AS 116 , the new lease accounting standard on March 30, 2019 and came into force with effect from April 01, 2019. IND AS 116 has replaced the guidance in IND AS 17 ""Leases"". The effect of initially applying this standard is recognised at date of initial application (i.e. April 01, 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17. The impact of adoption of this accounting standard is significant."

The entity has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the entity has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is significant.

At the inception of contract the entity assesses wheather the contract is , or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to:

- Obtains substantially all the economic benefits from using the asset and
- Direct the use of asset

a. As a lessee

The entity recognises the right of use of asset and right of use of liability at the commencement date of lease. The right of use of asset is initially measured at cost, which comprise of present value of future liabilty (lease rent payouts), any payment made at or before commencement date any inital direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.

The lease liabilty is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The entity generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments.

The entity presents its right of use of assets in property plant and euipments and lease liabilties in financial liabilities in the statement of financial position.

b. Extension and termination of lease

The entity 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 entity is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the entity is reasonably certain not to exercise that option. In assessing whether the entity 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 entity to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The entity revises the lease term if there is a change in the non-cancellable period of a lease.

c. Short term leases and low value assets

The entity has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The entity recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

d. Impairment testing for right of use of assets

Right of use of assets are tested for are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss ,if any ,is recognised in statement of profit and loss.

1.8 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.9 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

2 Employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

1.10 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.11 Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Notes forming part of the Financial Statements
For the year ended on 31st March 2020

(Amount in CAD)

		31 Mar 2020	31 Mar 2019
2	**Trade receivables**		
	Trade Receivables considered good - Unsecured	6,242,937	6,260,648
	Trade Receivables -credit impaired	9,016	-
		6,251,953	**6,260,648**
	Less: Allowances for bad and doubtful trade receivables	9,016	72,767
		6,242,937	**6,187,881**
3	**Cash and cash equivalents**		
	Cheques in hand	-	156,934
	Balances with banks		
	In current accounts	5,604,124	6,507,432
		5,604,124	**6,664,366**
4	**Loans**		
	Loans Receivable from related parties (Refer note 18) - Considered good - Unsecured		
	- Receivables from related parties	-	133,198
	-Loan to Birlasoft solutions Inc (Erstwhile KPIT Infosystems Inc., USA)	3,689,135	-
		3,689,135	**133,198**
5	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	2,712	2,782
	Balances with Statutory authorities	303,163	215,176
	Employee advances	24,670	20,777
	Advance to suppliers	18,431	14,563
	Security deposits	1,088	1,089
		350,064	**254,387**
6	**Loans**		
	Loans Receivable from related parties - (Refer note 18) Considered good - Unsecured		
	-Loan to Birlasoft solutions Inc (Erstwhile KPIT Infosystems Inc., USA)	2,109,586	5,351,227
		2,109,722	**5,351,227**
7	**Equity Share capital**		
	Issued subscribed and fully paid up:		
	100 (2018 :100) Class A voting common shares with no par value fully paid up	1	1
		1	**1**
8	**Provisions**		
	Provision for employee benefit		
	Compensated Absences	147,271	161,458
		147,271	**161,458**

(Amount in CAD)

		31 Mar 2020	31 Mar 2019
9	**Trade payables**		
	Total outstanding dues of trade payables	1,770,366	5,007,892
		1,770,366	**5,007,892**
10	**Other current financial liabilities**		
	Other than trade payables :		
	Accrued employee costs	196,691	208,994
	Payable to related parties (Refer note 18)	91,142	6,162
		287,833	**215,156**
11	**Other current liabilities**		
	Unearned revenue	765,535	12,712
	Statutory Liabilities	593,618	524,669
		1,359,153	**537,381**
12	**Provisions**		
	Provision for employee benefit		
	Compensated Absences	36,267	74,618
		36,267	**74,618**
13	**Revenue from Operations**		
	Software services	17,108,951	22,729,629
		17,108,951	**22,729,629**
14	**Other income**		
	Interest income	174,966	121,197
	Bad Debts w/back	2,777	-
	Foreign exchange gain (net)	492,595	226,560
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	14,695	329
		685,033	**348,086**
15	**Employee benefits expense**		
	Salaries, wages and incentives	5,016,429	5,591,559
	Staff welfare expenses	4,937	11,055
		5,021,366	**5,602,614**
16	**Finance costs**		
	Interest expense	-	48
		-	**48**

(Amount in CAD)

		31 Mar 2020	31 Mar 2019
17	**Other expenses**		
	Travel and overseas expenses (net)	164,539	410,340
	Transport and conveyance (net)	28,943	66,540
	Cost of service delivery (net)	8,229,390	10,021,118
	Cost of professional sub-contracting (net)	1,586,809	2,329,736
	Recruitment and training expenses	2,044	10,000
	Rent	15,458	16,363
	Insurance	-	23,935
	Rates & taxes	94,723	77,443
	Communication expenses (net)	9	901
	Legal and professional fees	33,059	32,489
	Marketing expenses	-	21,904
	Printing & Stationery	346	209
	Provision for doubtful debts and advances (net)	10,420	-
	Miscellaneous expenses (net)	3,645	12,089
		10,169,385	**13,023,067**

Note

Certain expenses are net of recoveries/reimbursements from customers.

18 Related party transactions:

A. Name of the related party and nature of relationship where control exists

Relationship	Name of related party
Ultimate holding company	Birlasoft Limited (Erstwhile known as KPIT Technologies Limited), India
Holding Company	Birlasoft Computer Corporation (Erstwhile known SYSTIME Computer Corporation),USA
Fellow Subsidiary Companies	Birlasoft Solutions Inc. (Erstwhile Known as KPIT Infosystems Incorporated)
	Birlasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE, United Arab Emirates) (Australia Branch)
	Birlasoft Inc, USA
	Birlasoft Solutions Limited (Formerly KPIT Infosystems Limited (UK))
	Birlasoft Consulting Inc. (formerly Sparta Consulting Inc., USA)
	Birlasoft Solutions France (Formerly KPIT Technologies France)
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT Technologies (UK) Ltd
	KPIT Technologies GmbH, Germany
	KPIT Technologies Netherlands, BV
	KPIT Technologies Inc, USA
	KPIT Technologies GK, Japan
	KPIT Infosystems Limited Filial UK, Sweden

B. Transactions with related parties

(Amount in CAD)

No.	Name of the related party	Amount of transaction 2019-20 (USD)	Balance as at 31 Mar 20 (USD)	Amount of transaction 2018-19 (USD)	Balance as at 31 Mar 19 (USD)
1	**Birlasoft Limited (Erstwhile KPIT Technologies Limited, India)**				
	Advance Received (Net)	**(13,997)**	**(37,658)**	23,241	1,856
	Reimbursement of expenses	**(26,974)**		5,261	
	Sale of software services	**1,438**	**NIL**	532	532
	Software service charges	**17,174,475**	**(19,87,766)**	6,334,161	(4,286,523)
2	**Birlasoft Computer Corporation, USA (Erstwhile known as SYSTIME Computer Corporation, USA)**				
	Advance Received (Net)	**437**	NIL	2,555	26
	Reimbursement of expenses	**(7,451)**		406	
	Sale of software services	**62,361**	**63,363**	16,202	1,848
	Software service charges	**560,948**	**(23,426)**	2492,860	(351,602)
3	**Birlasoft Solutions Inc. (Erstwhile KPIT Infosystems Incorporated, USA)**				
	Advance Received (Net)	**1,089**	**(53,483)**	10,511	(5,819)
	Reimbursement of expenses	**(46,670)**		16,140	
	Loan given	**NIL**	**57,98,721**	2,121,974	5,798,721
	Interest income	**174,966**	**(1,30,669)**	174,966	
	Software service charges	**639,539**		975,192	(239,861)
	Sale of software services	**1,313,804**	**471,130**	558,015	339,143
4	**Birlasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE, United Arab Emirates)**				
	Software service charges	**28,668**	**(31,507)**	NIL	NIL
5	**KPIT Technologies (UK) Ltd**				
	Sale of software services	**NIL**	**NIL**	11,904	NIL
	Software service charges	**NIL**	**NIL**	173,646	(55,926)
6	**KPIT Technologies GmbH, Germany**				
	Software service charges	**NIL**	**NIL**	22,755	(142)
7	**Birlasoft Consulting Inc. (formerly Sparta Consulting Inc., USA)**				
	Sale of software services	**NIL**	**NIL**	1,48,424	10,567
	Software service charges	**71,271**	**(31,265)**	202,817	(102,035)
8	**Birlasoft Solutions Limited**				
	Software service charges	**354,351**	**(228,028)**	77,955	(77,955)
9	**KPIT Technologies Netherlands BV**				
	Software service charges	**NIL**	**NIL**	4,369	14,563
10	**KPIT Technologies Inc.**				
	Sale of software services	**NIL**	**137,444**	(489,402)	70,359
	Software service charges	**NIL**	**NIL**	25,096	(25,096)
	Advance Received (Net)	**NIL**	**NIL**	132,069	(130,970)
	Reimbursement of expenses	**235,325**	**NIL**	NIL	NIL
11	**Birlasoft Inc, US**				
	Reimbursement of expenses	**76,757**	**NIL**	NIL	NIL
	Sale of software services	**750,601**	**59,218**	189,048	189,048

19 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

For and on behalf of the Board of Directors
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Baljeet Chhazal
Director
California
May 20, 2020

Indu Nangia
Director
New Jersey
May 20, 2020

Birlasoft Solutions Mexico S.A. DE C.V.

(Formerly KPIT Infosystems Mexico S.A. DE C.V.)
Registered Office: Rio Duero 31, Col. Cuauhtémoc Alcaldía Cuauhtémoc Ciudad de México, CP 06500, México.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 MXN (Million)
Total Income	0.11
Net Profit / (Loss) for the year	(0.69)

Operations

The Company commenced its operations during the year.

Name Change

During the year, the name of Company changed from KPIT Infosystems Mexico S.A. DE C.V. to Birlasoft Solutions Mexico S.A. DE C.V.

Change in Management

During the year under review, Mr. Anjan Lahiri, Mr. Pawan Sharma and Mr. Rajeev Gupta ceased to be Directors of the Company, and Mr. Dharmander Kapoor and Mr. Roopinder Singh were appointed as Directors.

Audit

The Company is not required by the local laws to have an independent audit firm to issue a report to the shareholders on the financial statements. No audit opinion has been sought in respect of these financial statements. The accounts are prepared from the internally prepared management accounts of the Company. The same management accounts are audited in order for the Group Auditors to give an audit opinion in relation to the group accounts i.e. consolidated accounts of Birlasoft Limited, the parent company. Hence, no separate audit report is given in respect of the Company.

For and on behalf of the Board of Directors
Birlasoft Solutions Mexico S.A. DE C.V.

New Jersey
May 20, 2020

Roopinder Singh
Director

Balance Sheet

As at 31 March 2020

(Amount in MXN)

	Note	31 Mar 2020
ASSETS		
Current assets		
Financial assets		
Cash and cash equivalents	1	27,376
Unbilled Revenue		108,677
TOTAL ASSETS		**136,053**
EQUITY AND LIABILITIES		
Equity		
Equity share capital		-
Other equity		(689,013)
		(689,013)
Liabilities		
Current liabilities		
Financial liabilities		
Trade payables	2	57,797
Other financial liabilities	3	753,155
Other current liabilities	4	14,114
		825,066
TOTAL EQUITY AND LIABILITIES		**136,053**
Significant accounting policies	1	
Notes referred to above form an integral part of the financial statements	2-9	-

For and on behalf of the Board of Directors of
Birlasoft Solutions Mexico, S.A. DE C.V.
(Formerly KPIT Infosystems Mexico, S.A. DE C.V.)

Dharmander Kapoor
Director
Faridabad
May 20, 2020

Roopinder Singh
Director
New Jersey
May 20, 2020

Statement of Profit and Loss

For the year ended on 31st March 2020

(Amount in MXN)

	Note	31 March 2020
Revenue from operations	5	108,677
Total income		**108,677**
Expenses		
Employee benefits expense	5	176,017
Finance costs	6	663
Other expenses	7	621,010
Total expenses		**797,690**
Profit before tax		**(689,013)**
Tax expense		
Current tax		-
Total tax expense		**-**
Profit for the year		**(689,013)**
Other comprehensive income		**-**
Total comprehensive income for the year		**(689,013)**
Significant accounting policies	1	
Notes referred to above form an integral part of the financial statements	2-9	-

For and on behalf of the Board of Directors of
Birlasoft Solutions Mexico, S.A. DE C.V.
(Formerly KPIT Infosystems Mexico, S.A. DE C.V.)

Dharmander Kapoor
Director
Faridabad
20 May 2020

Roopinder Singh
Director
New Jersey
20 May 2020

Statement of Cash Flow

For the year ended on 31st March 2020

(Amount in MXN)

PARTICULARS	31 March 2020
A] CASH FLOW FROM OPERATING ACTIVITIES	
Profit for the period	(689,013)
Operating Profit before working capital changes	**(689,013)**
Adjustments for changes in working capital:	
Trade Payables	57,797
Other financial liabilities, other liabilities and provisions	767,269
Trade receivables and unbilled revenue	(108,677)
Cash generated from operations	27,376
Net cash from operating activities (A)	**27,376**
B] CASH FLOW FROM INVESTING ACTIVITIES	**-**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**27,376**
Cash & cash equivalents at close of the year (refer note 1 below)	27,376
Cash & cash equivalents at beginning of the year (refer note 1 below)	-
Cash surplus / (deficit) for the year	**27,376**
Note 1:	
Cash and cash equivalents include:	
Balance with banks	
In current accounts	27,376
Total Cash and cash equivalents	**27,376**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 Satement of Cash Flows.

For and on behalf of the Board of Directors of
Birlasoft Solutions Mexico, S.A. DE C.V.
(Formerly KPIT Infosystems Mexico, S.A. DE C.V.)

Dharmander Kapoor
Director
Faridabad
May 20, 2020

Roopinder Singh
Director
New Jersey
May 20, 2020

Statement of Changes in Equity
For the year ended on 31st March 2020

(Amount in MXN)

A	Other equity		
	Particulars	**Retained earnings**	**Total**
	Balance as on 01 April 2019	-	-
	Total comprehensive income for the year 2019-20	(689,013)	(689,013)
	Balance as on 31 March 2020	**(689,013)**	**(689,013)**

For and on behalf of the Board of Directors of
Birlasoft Solutions Mexico, S.A. DE C.V.
(Formerly KPIT Infosystems Mexico, S.A. DE C.V.)

Dharmander Kapoor
Director
Faridabad
May 20, 2020

Roopinder Singh
Director
New Jersey
May 20, 2020

Notes forming part of the financial statements
for the year ended on 31st March 2020

1. Company Overview:

Birlasoft Solutions Mexico , S.A. DE C.V. (Erstwhile KPIT Infosystems Mexico, S.A. DE C.V) ("the Company") is a Company incorporated in Mexico City on Ocober 25, 2018. The Company is a wholly owned subsidiary of Birlasoft Solutions Inc. (Erstwhile Known as KPIT Infosystems Incorporated) . The ultimate holding company is Birlasoft Limited (Erstwhile KPIT Technologies Limited) India.

The Company is engaged in the business of providing software consultancy services in the areas of Enterprise Resource Planning, Customer Relationship Management, Supply Chain Management, Business Intelligence, Business Integration, Human Resource Management, Infrastructure Management Services and Strategic Sourcing.

1. Significant Accounting Policies:

1.1 Basis for preparation of financial statements:

"The financial statements have been prepared in accordance with the Indian Accounting Standards (""Ind-AS"") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The financial statements are presented in Mexican peso ("MXN") and are rounded off to nearest MXN"

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Current-non current classification

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

Assets

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

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

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

c. It is expected to be realised within 12 months after the reporting date; or

d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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.

Liability

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the Company's normal operating cycle;

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

c. It is due to be settled within 12 months after the reporting date; or

d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.3 Revenue recognition:

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

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation.

- Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the entity is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers.

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

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

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

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

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

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

Use of significant judgements in revenue recognition

The entity's contracts with customers could include promises to transfer multiple products and services to a customer. The entity assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The entity allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The entity uses judgement to determine an appropriate standalone selling price for a performance obligation. The entity 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 entity uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The entity exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The entity 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.

1.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from other exchange differences to finance costs.

1.5 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.6 Earnings per share

Basic earnings per share are computed by dividing the profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.7 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss.

1.8 Employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

1.10 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations that arise from past events but are not recognized because-

1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

1.11 Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Notes forming part of the Financial Statements
For the year ended on 31st March 2020

(Amount in MXN)

		31 March 2020
1	**Cash and cash equivalents**	
	Balances with banks	
	In current accounts	27,376
		27,376

		31 March 2020
2	**Trade payables**	
	Total outstanding dues of trade payables	57,797
		57,797

		31 March 2020
3	**Other current financial liabilities**	
	Other than trade payables :	
	Accrued employee costs	30,252
	Payable to related parties (Refer note 10)	722,903
		753,155

		31 March 2020
4	**Other current liabilities**	
	Statutory Liabilities	14,114
		14,114

		31 March 2020
5	**Revenue from Operations**	
	Software services	108,677
		108,677

		31 March 2020
5	**Employee benefits expense**	
	Salaries, wages and incentives	176,017
		176,017

		31 March 2020
6	**Finance costs**	
	Interest expense	663
		663

		31 March 2020
7	**Other expenses**	
	Legal and professional fees	271,082
	Foreign exchange loss (net)	346,402
	Miscellaneous expenses (net)	3,526
		621,010

Note

Certain expenses are net of recoveries/reimbursements from customers.

Notes forming part of the Financial Statements
For the year ended on 31st March 2020

(Amount in MXN)

8 Related party transactions:

A. Name of the related party and nature of relationship where control exists

Relationship	Name of related party
Ultimate holding company	Birlasoft Limited (Erstwhile known as KPIT Technologies Limited), India
Holding Company	Birlasoft Solutions Inc. (Erstwhile Known as KPIT Infosystems Incorporated)
Fellow Subsidiary Companies	Birlasoft Solutions Ltda (Formerly KPIT Technologies Solucoes Em Informatica Ltda)
	Birlasoft Consulting Inc. (formerly Sparta Consulting Inc., USA
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies (UK) Ltd (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Infosystems Limited Filial UK, Sweden (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019 upto 31 January 2020)
	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Inc,USA (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GK,Japan (w.e.f. 01 January 2019 upto 31 January 2020)
	B. Transactions with related parties

Sr. no.	Name of the related party	Amount of transaction 2019-20 (MXN)	Balance as at 31 Mar 20 (MXN)
1	**Birlasoft Computer Corporation, USA (Erstwhile known as SYSTIME Computer Corporation, USA)**		
	Loan taken	(17,766)	(17,766)
	Interest payable	(99)	(99)
2	**Birlasoft Solutions Inc. (Erstwhile KPIT Infosystems Incorporated, USA)**		
	Loan taken	(703,655)	(703,655)
	Interest payable	(1,382)	(1,382)

9 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2020.

For and on behalf of the Board of Directors of
Birlasoft Solutions Mexico, S.A. DE C.V.
(Formerly KPIT Infosystems Mexico, S.A. DE C.V.)

Dharmander Kapoor
Director
Faridabad
May 20, 2020

Roopinder Singh
Director
New Jersey
May 20, 2020

Birlasoft Solutions Ltda.

(Formerly KPIT Technologies Soluções em Informática Ltda.)
Registered Office: Alameda Santos, 1165 – 10ª andar – Cerqueira Cesar 01419-002 – São Paulo/SP, Brasil.

Board's Report

Dear Shareholders,

Your Directors are pleased to present herewith the Eighth report on the operations of the Company together with the audited accounts for the financial year ended March 31, 2020.

Financial Results

Particulars	2019-20 R$	2018-19 R$
Net Revenue	25,847,090	21,507,987
Net Profit / (Loss) for the year	1,727,084	(543,001)

Operations

During the year under review, total revenues of the Company increased by 20.17% resulting in increase in profit of R$ 1,727,084.

Name Change

During the year, the name of the Company changed from KPIT Technologies Soluções em Informática Ltda. to Birlasoft Solutions Ltda.

Change in Management

During the year under review, Mr. Anjan Lahiri and Mr. Rajeev Gupta ceased to be Directors and Mr. Roopinder Singh was appointed as a Director.

Audit

The Company appointed Actual Contabilidade S/S. as auditors to conduct the audit and the audit report issued by the auditors is attached with the accounts of the Company.

For and on behalf of the Board of Directors
Birlasoft Solutions Ltda.

New Jersey
April 15, 2020

Roopinder Singh
Director

Review report of financial statements

As of March 31, 2020 and 2019

Qualified opinion

To The Management of Birlasoft Solutions Ltda. (KPIT Technologies Soluções em Informática Ltda.)
São Paulo - SP

We reviewed the financial statements of Birlasoft Solutions Ltda. (KPIT Technologies Soluções em Informática Ltda.) ("Company") comprising the balance sheet on March 31st, 2020 and respective income statements, changes in shareholders' equity, and cash flow for the year ended on such date, as well as the summary of the main accounting policies and explanatory notes, comprising the significant accounting practices and other clarifying information.

Based on our review, except for the matter described in the "Base for conclusion for qualified opinion", we are not aware of any fact that let us to believe that the financial statements do not present accordingly, in all material matters, the financial position of Birlasoft Solutions Ltda. (KPIT Technologies Soluções em Informática Ltda.), on March 31, 2020, the results of its operations and its cash flows for the year ended in such date in accordance with accounting practices adopted in Brazil and international financial report standards (IFRS) issued by International Accounting Standards Board (IASB).

Base for conclusion for qualified opinion

The Company has continued to adopt, under human resources policy, hiring legal entities as services providers to develop technical activities without any formal employment under Brazilian labor laws. The performance of occasional initiatives by people linked to these service providers, possibly with such characteristics, can result in potential labor contingency.

Our review was carried out according to Brazilian and International audit standards. Our responsibilities, in accordance with such standards, are described in the following section titled "Auditor's responsibility for the audit of the financial statements". We are independent in relation to the Company in accordance with the relevant ethical principles set out in the Code of Ethics of Professional Accountants and professional standards issued by the Federal Accounting Council and have complied with other ethical responsibilities according to these standards.

We believe the evidence obtained by audit is enough and proper to establish the grounds for our qualified opinion.

Management's liability on the financial statements

Company's management is liable for preparing and submitting the financial statements according to the accounting practices adopted in Brazil according to the international standards for financial report (IRFS) issued by International Accounting Standards Board – (IASB) and the internal control determined as necessary to allow preparing such financial statements free from relevant misstatement irrespective if caused by fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue operational, disclosing, as applicable, issues related to its operational continuity and using the this accounting basis in the preparation of the financial statements unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to avoid closing the operations.

Auditor's responsibility for the audit of the financial statements

Our goals are to obtain reasonable assurance that the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with Brazilian and international standards will always detect a material misstatement when it exists. Misstatements should 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 financial statements. As part of an audit carried out in accordance with Brazilian and International Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the relevant risks of material misstatement in the financialstatements, 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.
- Understand internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going operational accounting basis 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 for operational continuity of Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report, however, adverse events or future conditions may eventually cause the Company to no longer remain in operational continuity.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the correspondent transactions and events in a manner compatible with proper presentation.

- Audit evidence was obtained, suitable and sufficient, regarding financial information to express an opinion on the financial statements. We are responsible for the guidance, supervision and performance of the audit and, consequently, for the audit opinion.

We communicate with the responsible for governance regarding, among other issues, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

São Paulo, 16 de abril de 2020

Actual Contabilidade S/S

CRC-SP - 2SP024780/O-6

Rodrigo Aparecido Leme de Oliveira

Contador CRC - 1SP309141/O-1

Notes to the Financial Statements

As of March 31, 2020 and 2019

(In Brazilian reais without cents)

1 - Operational context

The Company's activities include basically the consulting and advisory services in types and configurations, as well as installation project developments related to the products sold, the sale of computer programs, software and applications, as well the consulting services in the information technology area and participation in other companies.

2 - Presentation of the Financial Statements

a. Statement of compliance with IFRS and BRGAAP standards

Financial Statements have been prepared according to the accounting practices adopted in Brazil which encompasses the Business Corporations Laws, and Pronouncing, Guidance And Interpretation issued by Accounting Pronouncing Committee -CPC.

The showed amounts take into account the adoption of the Tax Transitional System - RTT as provided for in law nº 11.941 /09, which purpose is to maintain the tax neutrality of changes in Brazilian corporate law, introduced by laws 11.638 /07 and 11.941 /09 and by other changes in accounting standards arising from the IFRS.

On November 12th, 2013 the Provisional Measure – MP nº 627 was published and converted in Law nº 12.973 in May 13, 2014 which among other provisions, revokes the Tax Transitional Regime - RTT. The provisions of such Provisional Measure shall apply as from the year 2015 or as from the year 2014 for the taxpayers who perform the anticipated adoption. The Administration of Company is evaluating the impacts thereon and which is the period more convenient for the adoption. On March 31st, 2020, the company considers there will be no effects to be taken into account in the Financial Statements.

On April 15th, 2020, The Administration of Company authorized the conclusion of such financial statements.

b. Measurement base

The financial statements have been prepared based on the historic cost except the following material items recognized in the balance sheet:

Non-derivative financial Instruments designated at fair value by means of the results are measured at fair value.

The financial assets available for sale are measured by the fair value.

c. Functional Currency and presentation currency

The items included in the financial statements have been measured by adopting the currency of the economic environment in which the Company operates (functional currency). The financial statements are showed in Brazilian Reais, which is the Company's functional currency.

d. Estimates use and judgment

The preparation of the financial statements according to the accounting practices adopted in Brazil requires the use of the judgments, estimates, and suppositions by The Administration of Company affecting the accounting policies use and reported values of the assets, liabilities, incomes and expenses. The actual results might differ from the estimates.

The estimates and assumptions are reviewed annually by The Administration of Company. The changes are recognized in the financial year in which such estimates are reviewed and in future years affected.

3 - Main Accounting Practices

a. Financial instruments

The Company's non-derivative financial assets and liability are classified under the following categories:

i. Non-Derivative financial assets

Company recognizes the loans and receivables and deposits firstly on the origin date. All other financial assets (including assets designated by fair value through the results) are recognized firstly on the negotiation date when the Company becomes a party in the contractual provisions of the instrument. The Company classifies the non-derivative financial assets in the following categories: financial assets measured at fair value through the income and receivables.

ii. Receivables

Receivables are financial assets with fixed or determined payments, which are not offered in the active market. Such assets are recognized firstly at the fair value added from any attributed cost of the transactions. After the initial recognition, the loans and receivables are measured by the amortized cost using the actual interest method, reduced from the loss due to the reduction on the recoverable amount.

Receivables encompass the cash and cash equivalent, accounts receivables from customers and other receivables.

iii. Cash and cash equivalents

Include cash, bank sight deposits and temporary short term investments up to 90 days from the date of investment or deemed of immediate liquidity or convertible into known amount of cash, which are subject to an insignificant risk of change in value and are recorded by the cost values added by the income earned up to the balance sheets dates and do not exceed its market or performance value.

iv. Non-derivative financial liabilities

Firstly, Company recognizes the debt instruments issued on the date they are originated. All other financial liabilities are recognized firstly on the negotiation date when Company becomes a party in the contractual provisions of the instrument. Company writes off the financial liability when the contractual obligations are withdrew, canceled or overdue.

Such financial liabilities are recognized first by fair value deducted by any cost of the related transactions. After the initial recognition, such financial liabilities are measured by the amortized cost using the actual interest method, as applicable, in order to reflect the costs incurred up to the balance sheet date.

The Non-derivative financial liabilities of the Company refer basically to imports payable to holding added by exchange rate variation incurred up to the balance sheet date, suppliers and other accounts payable showed by known values or to be determined, updated by monetary adjustment index and interest, as applicable, to reflect the costs incurred up to the balance sheet date.

b. Fixed Assets

Acknowledgement and measurement: Fixed assets are measured by acquisition historic cost, deducting the accrued depreciation and losses from the reduction to recoverable amount (impairment) as required. The fixed assets costs include the expenses directly attributable to the assets acquisition. Other expenses are capitalized only when there is an increase in the economic benefits of the fixed assets item. Any other expense, when incurred, is recognized in results as expense. Gains and losses in the fixed assets disposal determined by comparing the resources from disposal and fixed assets accounting value are recognized as net in other incomes in the results.

Depreciation: The depreciation is computed by the straight-line method, at rates deemed compatible with the useful life.

c. Reduction on the assets recoverable amount

Non-derivative Financial Assets (including receivables)

The financial assets are evaluated at each submission date if it is not measured by fair value in order to determine any objective evidence of loss in the recoverable value. The assets has the loss in recoverable value if there is objective evidence of loss resulting from one or more events taking place after the assets initial recognition, and such loss event had a negative effect on the future cash flows forecast which should be estimated reliably.

The objective evidence of the financial assets lost value should include the debtor default or delay in payment, the renegotiation of the amount payable to the Company under conditions that The Company should not accept on other transactions, indications the debtor or issuer should be bankrupted or the end of the active market for the securities.

d. Provisions

A provision is recognized in respect to the past event, if the Company legal or constructive obligation could be estimated reliably and is likely to be an economic resource required to settle the obligation. The provisions are determined by means of deduction to cash flow expected at a rate before taxes reflecting the evaluations by current market regarding the value of money in time and the specific risks to the liability.

Company supported by legal opinion by its legal advisors and Management represents to have no knowledge of tax, civil and labor proceedings affecting materially its business, in addition to those already reflected in the financial statements on March 31st, 2020.

e. Operating Income

The operating income from sale in the regular course of the activities is measured by the fair value of the consideration received or to be received, net of returns, commercial discounts and bonuses. The operating income is recognized according to the service invoice is issuance, based on the technical working hours approved by customers. Certain service provision contracts provide for the delivery of services and / or contractual rights that are provided at different times during the term of the contracts, which require, under the terms established in CPC 47 (IFRS 15), that Management make an analysis with relation to the portion of revenue related to each stage of the contract for its proper recognition.

f. Operational costs

The cost of services in the markets in which the Company operates is mainly represented by the cost of productive hours worked at the rate paid to the technicians, billable and nonbillable to customers, the cost of hours spent in any rework (guarantees).

g. Financial income and financial expenses

The financial income comprises interest income on investments, discounts obtained and yields from instruments classified as cash equivalents. The interest income is recognized in the results, by means of the effective interest method.

The financial expenses comprise interest expense on contractual expenses, bank charges, losses in fair value of financial assets measured at fair value by means of results and contingent consideration, etc.

h. Income Tax and Social Contribution

The income tax and social contribution of the current year are calculated based on 15% rate added from 10% additional on taxable profit exceeding R$ 240,000 for income tax and 9% on the taxable profit for social contribution on net profit, which take into account the tax loss offset and the loss of Social Contribution limited to 30% the taxable profit.

The income tax and social contributions expenses comprise the current taxes.

The tax charges and contributions calculated and collected by the Company, as well as their income statements and fiscal and accounting records are subject to review by the tax authorities in variable prescription deadlines.

Current tax

Current tax is the tax payable and receivable estimated on taxable profit or losses of the year, based on the tax rates published or materially published on the date the financial statements are prepared and any adjustments on taxes payable in respect to the previous years.

i. Intangible

As established by CPC 06 Leases (IFRS 16), in 2020, the right to use the property and building infrastructure where the Company is installed was recognized, with the corresponding liability being the total of the installments falling due, according to the agreement lease whose term will end in July 2021.

4 Cash and Cash Equivalents

	2020	2019
Cash and Cash Equivalents	664	512
Investments	2,356,332	612,979
	2,356,996	**613,491**

5 Accounts Receivable

	2020	2019
Domestic sales	4,404,371	2,542,408
Foreign Sales – related parties	495,507	446,142
Reimbursable expenses	97,964	391,048
Allowance for doubtful accounts	(175,969)	(175,969)
	4.821.873	**3.203.629**

6 Transactions with Related Parties

The transactions with related parties consist basically of information technologies services to enterprises abroad as showed below:

	2020	2019
Current Assets – Accounts receivable:		
Birlasoft Limited (KPIT US) (Cummins)	248,286	190,459
Birlasoft Limited (KPIT US) (WTF)	55,822	20,830
Birlasoft Limited (KPIT US) (NOV)	49,949	86,020
Birlasoft Solutions Limited UK (KPIT UK) (Unilever)	141,450	148,833
	495,507	**446,142**

The transactions performed during the year were the following:

	2020	2019
Services Revenue:		
Foreing market:		
Birlasoft Limited (KPIT US) (Cummins)	2,394,832	2,317,313
KPIT Technologies Oshkosh	-	40,731
Birlasot Limited (KPIT US) (WTF)	404,911	201,312
Birlasoft Limited (KPIT US) (NOV)	429,690	457,369
Birlasoft Limited (KPIT UK) (Unilever)	1,104,665	751,269
SPARTA Consulting INC DBA KPIT	-	293,873
KPIT US (Cummins –Red Praire)	-	214,104
	4,334,098	**4,275,971**

7 - **Intercompany loan agreement**

Birlasoft Solutions Inc (KPIT Infosystems Incorporated - KPIT US) is a wholly owned subsidiary of Birlasoft Limited (KPIT Technologies Limited, India - KPIT India) and Birlasoft Solutions Ltda. (KPIT Technologies Soluções em Informática Ltda. - KPIT Brazil) is a wholly owned subsidiary of Birlasoft Solutions Inc (KPIT US).

A Birlasoft Solutions Inc (KPIT Infosystems Incorporated - KPIT US), a company incorporated under the laws of State of New Jersey shall advance a loan of US$ 800,000 to Birlasoft Solutions Ltda. (KPIT Brazil) to fund its working capital requirements.

Birlasoft Solutions Ltda. shall be liable to pay interest at the rate of 3.5% per annum on the principal amount outstanding. The interest shall be paid on half yearly basis.

Birlasoft Solutions Ltda. shall repay the entire loan within a period not exceeding thirtysix months on rolling basis form the date of disbursal of the loan.

8 - **Capital Stock**

The capital, totally paid up, is of R$ 4,022,378 (R$ 4,022,378 at 2019), divided in 4,022,378 (4,022,378 at 2019) quotas at the nominal amount of R$ 1.00 each, distributed to quota holders in the following proportion:

Shareholder	Number of Sharequotas
Birlasoft Limited (KPIT Technologie Limited)	1,000
Birlasoft Solutions Inc (KPIT Infosystems Incorporated)	4,021,378
	4,022,378

Balance Sheets

As of March 31, 2020 and 2019

(In Brazilian reais without cents)

Assets	2020	2019
Current assets:		
Cash and cash equivalents	2,356,996	613,491
Accounts receivable	4,821,873	3,203,629
Advances to suppliers	-	11,105
Advances to employees	3,199	22,732
Recoverable taxes	1,119,434	1,433,673
Other accounts receivable	542,086	71,904
	8,843,588	**5,356,534**
Non-Current assets:		
Judicial deposits	22,981	-
Property, plant and equipment	86,986	110,353
Intangible	622,930	-
Lease agreement obligations	155,732	-
	732,897	**110,353**
	9,576,485	**5,466,887**

(In Brazilian reais without cents)

Liabilities	2020	2019
Current liabilities:		
Suppliers	162,732	53,181
Intercompany loan Agreement	68,039	16,621
Taxes and contributions payable	136,171	208,640
Payroll and related charges	165,290	154,619
Accrued vacations and related charges	800,506	881,972
Accrued consulting fees	944,584	958,417
Accrued bonus	101,169	422,464
Lease agreement obligations	467,198	-
Other accruals	587,957	121,980
	3,433,646	**2,817,894**
Non-Current liabilities:		
Intercompany loan agreement	4,158,960	2,547,930
	4,314,692	**2,547,930**
Shareholders' equity:		
Capital stock	4,022,378	4,022,378
Accumulated losses	(2,194,231)	(3,921,315)
	1,828,147	**101,063**
	9,576,485	**5,466,887**

The accompanying notes are an integral part of these financial statements.

Income Statements

For the Years Ended March 31, 2020 and 2019

(In Brazilian reais without cents, except profit (loss) per sharequota)

	2020	2019
Gross revenue:		
Services revenue - domestic market	23,170,417	18,555,546
Services revenue - foreign market	4,334,098	4,275,971
	27,504,515	**22,831,517**
Deductions:		
Sales Taxes	(1,657,425)	(1,323,530)
Operational net revenue	**25,847,090**	**21,507,987**
Cost of services rendered	(17,275,949)	(9,646,146)
Gross profit	**8,571,141**	**11,861,841**
Operational expenses		
Selling expenses	(773,143)	(518,869)
Administrative and general expenses	(4,501,495)	(11,677,622)
Tax expenses	(6,293)	(190,222)
Finance (expenses) revenues, net	(1,018,548)	(139,307)
	(6,299,479)	**(12,526,020)**
Profit (loss) before financial result	2,271,662	(664,179)
Income and Social contributions tax	(544,578)	121,178
Profit (loss) for the year	**1,727,084**	**(543,001)**
Profit (loss) per sharequota	0.43	(0.13)

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

For the Years Ended March 31, 2020 and 2019

(In Brazilian reais without cents)

	Capital Stock	Accumulated Losses	Total
Balances at April 1, 2018	**4,022,378**	**(3,378,314)**	**644,064**
Loss for the year	-	(543,001)	(543,001)
Balances at March 31, 2019	**4,022,378**	**(3,921,315)**	**101,063**
Profit for the year	-	1,727,084	1,727,084
Balances at March 31, 2020	**4,022,378**	**(2,194,231)**	**1,828,147**

The accompanying notes are an integral part of these financial statements.

Cash Flow Statements

For the Years Ended March 31 2020, and 2019

(In Brazilian reais without cents)

	2020	2019
CASH FLOW OF OPERATIONAL ACTIVITIES		
Profit (loss) for the year	1,727,084	(543,001)
Adjustments to reconcile the fiscal year net profit with Cash generated by operational activities:		
Depreciation and amortization	32,561	45,198
Interest and exchange variation on intercompany loans	1,073,198	50,051
Decrease (Increase) in the operational assets:		
Accounts receivable from clients	(1,618,244)	(1,602,957)
Advances to suppliers	11,105	(10,466)
Advances to employees	19,533	10,041
Recoverable taxes	314,239	224,911
Other accounts receivable	(470,182)	10,686
Judicial deposits	(22,981)	-
Increase (decrease) in the operational liabilities:		
Suppliers	109,551	(11,992)
Taxes and contributions payable	(72,469)	84,001
Salaries and Labor Taxes payable	10,671	(112,256)
Accrued vacations and related charges	(81,466)	(6,993)
Accrued consulting fees	(13,833)	474,593
Accrued bonus	(321,295)	(182,201)
Other accruals	465,977	79,369
Cash generated from (invested in) operational activities	**1,163,449**	**(1,491,016)**
CASH FLOW OF INVESTMENTS ACTIVITIES		
Fixed assets acquisition	(9,194)	(29,312)
Cash invested on activities of investments	**(9,194)**	**(29,312)**
CASH FLOW OF FINANCIAL ACTIVITIES		
Intercompany loan agreement	589,250	1,877,030
INCREASE OF AVAILABLE FUNDS BALANCE	**1,743,505**	**356,702**
CASH AND CASH EQUIVALENTS		
Opening Balance	613,491	256,789
Ending Balance	2,356,996	613,491
INCREASE OF AVAILABLE FUNDS BALANCE	**1,743,505**	**356,702**

The accompanying notes are an integral part of these financial statements.

Birlasoft Sdn. Bhd.

Registered Office: Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South No.8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia.

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the company for the financial year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activities of the company are engaged in software development and information technology consultancy services. There were no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	RM
Loss for the financial year	(4283)

In the opinion of the directors, the results of the operations of the company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

No dividend has been paid or declared since the end of the previous financial year. The directors do not recommend the payment of any dividend in respect of the current financial year.

MOVEMENTS ON RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

There was no issuance of shares or debentures by the company during the financial year.

OPTIONS

No option has been granted during the financial year to take up unissued shares of the company.

DIRECTORS

The directors in office since the date of the last report are:

Deepathayyil Vachali (f)

Sayersilan A/L Periannan

Rajan Mittal

Raghvendra Mittal

DIRECTORS' INTERESTS

As the company is a wholly-owned subsidiary of *Birlasoft Limited*, under Section 59(3) of the Companies Act 2016 in Malaysia, the interests in the shares of the company of all the directors, who are also directors of the holding company, are disclosed in the Directors' Report of the holding company.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 12 to the financial statements.

Neither during nor at the end of the financial year was the company a party to any arrangement whose object was to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the company or any other body corporate.

DIRECTORS' REMUNERATION

None of the directors of the company have received any remunerations from the company during the financial year.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the company.

OTHER STATUTORY INFORMATION

Before the financial statements of the company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts to be written off and that no allowance for doubtful debts was necessary; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or to make any allowance for doubtful debts in the financial statements of the company; or

(b) which would render the values attributed to current assets in the financial statements of the company misleading; or

(c) not otherwise dealt with in this report or financial statements of the company which would render any amount stated in the financial statements misleading; or

(d) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the company misleading or inappropriate.

At the date of this report, there does not exist:

(a) any charge on the assets of the company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the company to meet its obligations when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the company for the financial year in which this report is made.

HOLDING COMPANY

The directors regard Birlasoft Limited, a company incorporated and domiciled in India, as the company's holding company.

AUDITORS

The details of the auditors' remuneration for the financial year are disclosed in Note 10 to the financial statements.

The auditors, Messrs Siew Boon Yeong & Associates, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

SAYERSILAN A/L PERIANNAN Director	**DEEPATHAYYIL VACHALI** Director

Kuala Lumpur,
Date: 5 May 2020

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the directors, the financial statements set out on pages 10 to 26 are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the company as at 31 March 2020 and of the financial performance and cash flows of the company for the financial year ended on that date.

Signed in Kuala Lumpur on 5 May 2020

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

SAYERSILAN A/L PERIANNAN Director	**DEEPATHAYYIL VACHALI** Director

Kuala Lumpur,

Date: 5 May 2020

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Sayersilan A/L Periannan, being the director primarily responsible for the financial management of Birlasoft Sdn. Bhd., do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 10 to 26 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared in Kuala Lumpur on 5 May 2020

SAYERSILAN A/L PERIANNAN

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF BIRLASOFT SDN. BHD.

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Birlasoft Sdn. Bhd., which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 26.

In our opinion, the accompanying financial statements give a true and fair view of financial position of the company as at 31 March 2020, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the company and our auditors' report thereon.

Our opinion on the financial statements of the company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the company are responsible for the preparation of financial statements of the company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine are necessary to enable the preparation of financial statements of the company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the company, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the company, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the company 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 auditors' 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 financial statements of the company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Other Matters

This report is made solely to the member of the company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

SIEW BOON YEONG & ASSOCIATES
AF: 0660
Chartered Accountants

DATO' SIEW BOON YEONG
01321/07/2020 J
Chartered Accountant

Kuala Lumpur,
Date: 5 May 2020

Statement of Financial Position
As at 31 March 2020

	Note	2020 RM	2019 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	-	1,782
Current Assets			
Trade and other receivables	5	119,216	83,320
Current tax assets		82,997	27,284
Bank balances		1,850,273	2,433,382
		2,052,486	2,543,986
Total Assets		**2,052,486**	**2,545,768**
EQUITY AND LIABILITIES			
Equity			
Share capital	6	5,000	5,000
Retained profits		1,264,091	1,268,374
Total Equity		**1,269,091**	**1,273,374**
Liabilities			
Current Liabilities			
Trade and other payables	7	760,003	1,245,939
Other liabilities	8	23,392	26,455
Total Liabilities		**783,395**	**1,272,394**
Total Equity and Liabilities		**2,052,486**	**2,545,768**

Statement of Profit or Loss and other comprehensive income
For the financial year ended 31 March 2020

	Note	2020 RM	2019 RM
REVENUE	9	603,842	1,332,396
COST OF SALES		**(533,142)**	**(1,038,613)**
GROSS PROFIT		70,700	293,783
OTHER OPERATING INCOME		225	-
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		(1,782)	(2,900)
OTHER OPERATING EXPENSES		**(86,752)**	**(84,210)**
(LOSS)/PROFIT BEFORE TAXATION	10	(17,609)	2,06,673
INCOME TAX EXPENSE	**11**	**13,326**	**(76,982)**
NET (LOSS)/PROFIT, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE FINANCIAL YEAR		**(4,283)**	**129,691**

Statement of changes in equity
For the financial year ended 31 March 2020

	Non - distributable Share capital RM	Distributable Retained profits RM	Total RM
At 1 April 2018	5,000	1,138,683	1,143,683
Total comprehensive income for the financial year	**-**	**129,691**	**129,691**
At 31 March 2019/1 April 2019	5,000	1,268,374	1,273,374
Total comprehensive loss for the financial year	-	(4,283)	(4,283)
At 31 March 2020	**5,000**	**1,264,091**	**1,269,091**

Statement of Cash Flows
For the financial year ended 31 March 2020

	2020 RM	2019 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(17,609)	2,06,673
Adjustment for:		
Depreciation of property, plant and equipment	1,782	2,900
Operating (loss)/profit before working capital changes	(15,827)	209,573
(Increase)/decrease in receivables	(35,896)	234,458
(Decrease)/increase in payables	(488,999)	938,814
Cash (used in)/generated from operating activities	(540,722)	1,382,845
Tax refunded	-	78,552
Tax paid	(42,387)	(128,630)
Net cash (used i)/generated from operating activities	**(583,109)**	**1,332,767**
CASH FLOWS FROM FINANCING ACTIVITIES	**-**	**-**
Net (decrease)/increase in cash and cash equivalents	(583,109)	1,332,767
Cash and cash equivalents at the beginning of the financial year	2,433,382	1,100,615
Cash and cash equivalents at the end of the financial year	1,850,273	2,433,382
Cash and cash equivalents comprise:		
Bank balances	1,850,273	2,433,38

Notes to the financial statements

31 March 2020

1. GENERAL INFORMATION

The company is a private limited company, incorporated and domiciled in Malaysia.

The address of the registered office and principal place of business of the company is Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal activities of the company are engaged in software development and information technology consultancy services.

The holding company is Birlasoft Limited, a company incorporated and domiciled in India.

2. SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies set out below are consistent with those applied in the previous financial year unless otherwise stated.

(a) Basis Of Preparation

The financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements, which are presented in Ringgit Malaysia ("RM") have been prepared on the historical cost basis, except as disclosed in the accounting policies as set out below.

(b) Property, Plant And Equipment

The cost of an item of property, plant and equipment is recognised as an asset when 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. After recognition as an asset, an item of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

	%
Computers	33

Depreciation of an asset begins when it is ready for its intended use.

If there is an indication of a significant change in factors affecting the residual value, useful life or asset consumption pattern since the last annual reporting date, the residual values, depreciation method and useful lives of depreciable assets are reviewed, and adjusted prospectively.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss.

(c) Impairment Of Non-Financial Assets

At each reporting date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

When there is an indication that an asset may be impaired but it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset and a cash-generating unit is the higher of the fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or a cash-generating unit is less than the carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then, to the other non-current assets of the unit pro rata on the basis of the carrying amount of each appropriate asset in the cash-generating unit. Impairment loss is recognised immediately in profit or loss.

An impairment loss recognised in prior periods for an asset or the appropriate assets of a cash-generating unit is reversed when there has been a change in the estimates used to determine the asset's recoverable amount. An 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, if no impairment loss had been recognised in prior periods.

A reversal of an impairment loss is recognised immediately in profit or loss.

(d) Foreign Currency Transaction

Transactions in foreign currencies are initially recognised in the functional currency by applying to the foreign currency amount the spot exchange rates between the functional currency and the foreign currency at the date of the transactions.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise.

(e) Financial Assets

Financial assets are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are measured at transaction price, include transaction costs for financial assets not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the counterparty to the arrangement.

After initial recognition, financial assets are classified into one of three categories: financial assets measured at fair value through profit or loss, financial assets that are debt instruments measured at amortised cost, and financial assets that are equity instruments measured at cost less impairment.

(i) Financial Assets At Fair Value Through Profit Or Loss

Financial assets are classified as at fair value through profit or loss when the financial assets are within the scope of Section 12 of the MPERS or if the financial assets are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

Changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

(ii) Financial Assets That Are Debt Instruments Measured At Amortised Cost

After initial recognition, debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets are measured at the undiscounted amount of the cash or other consideration expected to be received.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the carrying amount of the financial assets.

(iii) Financial Assets That Are Equity Instruments Measured At Cost Less Impairment

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort, and contracts linked to such instruments that, if exercised, will result in delivery of such instruments, are measured at cost less impairment.

Impairment Of Financial Assets

At the end of each reporting period, the company assesses whether there is any objective evidence that financial assets that are measured at cost or amortised cost, are impaired.

Objective evidences could include:

- significant financial difficulty of the issuer; or
- a breach of contract; or
- the lender granting to the borrower a concession that the lender would not otherwise consider; or
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from the financial assets since the initial recognition of those assets.

For certain category of financial assets, such as trade receivables, if it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the assets are included in a group with similar credit risk characteristics and collectively assessed for impairment.

Impairment losses, in respect of financial assets measured at amortised cost, are measured as the differences between the assets' carrying amounts and the present values of their estimated cash flows discounted at the assets' original effective interest rate.

If there is objective evidence that impairment losses have been incurred on financial assets measured at cost less impairment, the amount of impairment losses are measured as the difference between the asset's carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date.

The carrying amounts of the financial assets are reduced directly, except for the carrying amounts of trade receivables which are reduced through the use of an allowance account. Any impairment loss is recognised in profit or loss immediately. If, in subsequent period, the amount of an impairment loss decreases, the previously recognised impairment losses are reversed directly, except for the amounts related to trade receivables which are reversed to write back the amount previously provided in the allowance account. The reversal is recognised in profit or loss immediately.

Derecognition Of Financial Assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or are settled, or the company transfers to another party substantially all of the risks and rewards of ownership of the financial assets.

On derecognition of financial assets in their entirety, the differences between the carrying amounts and the sum of the consideration received and any cumulative gains or losses are recognised in profit or loss in the period of the transfer.

(f) Equity Instruments

Ordinary shares are classified as equity.

Equity instruments are any contracts that evidence a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company, other than those issued as part of a business combination or those accounted for in paragraph 22.15A to 22.15B of Section 22 of the MPERS, are measured at the fair value of the cash or other resources received or receivable, net of transaction costs. If payment is deferred and the time value of money is material, the initial measurement shall be on a present value basis.

The company accounts for the transaction costs of an equity as a deduction from equity. Income tax relating to the transaction costs is accounted for in accordance with Section 29 of the MPERS.

Distributions to owners are deducted from the equity. Related income tax is accounted for in accordance with Section 29 of the MPERS.

(g) Financial Liabilities

Financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

On initial recognition, financial liabilities are measured at transaction price, include transaction costs for financial liabilities not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the company to the arrangement.

After initial recognition, financial liabilities are classified into one of three categories: financial liabilities measured at fair value through profit or loss, financial liabilities measured at amortised cost, or loan commitments measured at cost less impairment.

(i) Financial Liabilities Measured At Fair Value Through Profit Or Loss

Financial liabilities are classified as at fair value through profit or loss when the financial liabilities are within the scope of Section 12 of the MPERS or if the financial liabilities are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

(ii) Financial Liabilities Measured At Amortised Cost

After initial recognition, financial liabilities other than financial liabilities at fair value through profit or loss are measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the financial liabilities are derecognised or impaired.

Effective interest method is a method of calculating the amortised cost of financial liabilities and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash payments through the expected life of the financial liabilities or, when appropriate, a shorter period, to the carrying amount of the financial liabilities.

(iii) Loan Commitments Measured At Cost Less Impairment

Commitments to receive loan that meet the conditions of Section 11 of the MPERS are measured at cost less impairment.

Derecognition Of Financial Liabilities

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amounts of the financial liabilities derecognised and the consideration paid is recognised in profit or loss.

(h) Provisions

A provision is recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The risks and uncertainties are taken into account in reaching the best estimate of a provision. When the effect of the time value of money is material, the amount recognised in respect of the provision is the present value of the expenditure expected to be required to settle the obligation.

(i) Revenue Recognition

Revenue from services rendered is recognized in the profit or loss based on the value of services performed and invoiced to customers during the reporting period.

(j) Interest income

Interest income is recognised on accrual basis using the effective interest method.

(k) Income Tax Expense

Income taxes for the financial year comprise current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each end of the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

(l) Cash And Cash Equivalents

Cash comprises cash and bank balances including bank overdrafts. Cash equivalents are 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.

(m) Related Parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (the reporting entity):

(i) a person or a close member of that person's family is related to a reporting entity if that person:

a. is a member of the key management personnel of the reporting entity or of a holding company of the reporting entity;

b. has control or joint control over the reporting entity; or

c. has significant influence over the reporting entity.

(ii) an entity is related to a reporting entity if any of the following conditions applies:

a. the entity and the reporting entity are members of the same group (which means that each holding company, subsidiary company and fellow subsidiary company is related to the others).

b. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

c. both entities are joint ventures of the same third entity.

d. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

e. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

f. the entity is controlled or jointly controlled by a person identified in (a).

g. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

h. a person identified in (i)(b) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below.

(a) Depreciation Of Property, Plant And Equipment

The estimates for residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' action in response to the market conditions.

The company anticipates that the residual values of these property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

	Computers RM
Cost	
At 1 April 2019/31 March 2020	8,699
Accumulated depreciation	
At 1 April 2019	6,917
Charge for the financial year	1,782
At 31 March 2020	8,699
Net carrying amount	
At 31 March 2020	-
At 31 March 2019	1,782
Depreciation - 2019	2,900

5. TRADE AND OTHER RECEIVABLES

	2020 RM	2019 RM
Trade receivables	116,582	80,686
Other receivables	2,634	2,634
	119,216	**83,320**

The company's normal trade credit terms granted to the trade receivables is 60 days (2019: 60 days). Other credit terms are assessed and approved on a case-by-case basis.

6. SHARE CAPITAL

	2020	2019	2020	2019
	Number of ordinary shares		RM	RM
Issued share capital	5,000	5,000	5,000	5,000

The holders of the ordinary shares are entitled to receive dividends as and when declared by the company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the company's residual assets.

The ordinary shares have no par value.

7. TRADE AND OTHER PAYABLES

	2020 RM	2019 RM
Trade payables		
Holding company	16,731	2,86,942
Other payables		
Related party	636	27,221
Third parties	21,217	18,969
Amount owing to holding company	721,419	19,286
Amount owing to related companies -	893,521	
	760,003	**1,245,939**

The credit term of trade payables granted to the company is 180 days (2019: 180 days).

The amount owing to related company in other payables is unsecured, interest free and repayable on demand.

The amounts owing to holding company and related companies are non-trade in nature, unsecured, interest free and repayable on demand.

8. OTHER LIABILITIES

	2020 RM	2019 RM
Accruals	**23,392**	**26,455**

9. REVENUE

Revenue represents the invoiced value of services rendered, net of discounts.

10. (LOSS)/PROFIT BEFORE TAXATION

	2020 RM	2019 RM
(Loss)/profit before taxation is stated after charging:		
Auditors' remuneration		
- current year's provision	5,300	5,500
- over provision in respect of prior year -	(200)	
Depreciation of property, plant and equipment	1,782	2,900
Loss on foreign exchange - realised 3,234	-	
Rental of premises	3,824	2,732
After crediting:		
Interest income	**225**	**-**

11. INCOME TAX EXPENSE

	2020 RM	2019 RM
Malaysian income tax:		
- current year's provision	5,485	66,668
- (over)/under provision in respect of prior year	(18,811)	10,314
	(13,326)	**76,982**

A reconciliation of income tax expense applicable to (loss)/profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2020 RM	2019 RM
(Loss)/profit before taxation	(17,609)	2,06,673
Income tax expense at Malaysian statutory tax rate of 24% (2019: 24%)	(4,226)	49,602
• Adjustments for the following tax effects:		
- expenses not deductible for tax purposes	9,492	16,579
- deferred tax assets not recognised during the financial year	219	487
	9,711	**17,066**
• (Over)/under provision of current income tax in respect of prior year	(18,811)	10,314
	(13,326)	**76,982**

The amounts of temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

	2020 RM	2019 RM
Excess of accumulated depreciation over corresponding capital allowances claimed	3,479	2,567

12. RELATED PARTY TRANSACTIONS

(a) Identify of related parties

For the purposes of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the company either directly or indirectly. The key management personnel comprise the directors and management personnel of the company, having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly.

(b) Related company/party transactions

The related company/party transactions of the company are shown below. The balances related to these transactions are shown in Note 7.

		2020 RM	2019 RM
i.	Transactions with holding company		
	- Services received	303,359	182,677
ii.	Transactions with company in which the directors of the company have substantial financial interest		
	- Services received	229,477	828,726
	- Rental of premises	3,824	2,732

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

(c) Compensation of key management personnel

The company does not has any key management compensation during the financial year.

13. CATEGORIES OF FINANCIAL INSTRUMENTS

	2020 RM	2019 RM
Financial assets:		
Measured at amortised cost		
Trade and other receivables	119,216	83,320
Bank balances	1,850,273	2,433,382
	1,969,489	**2,516,702**
Financial liabilities:		
Measured at amortised cost		
Trade and other payables	7,60,003	1,245,939

14. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 5 May 2020 by the Board of Directors.

Statement of Profit or Loss

As at 31 March 2020

	2020 RM	2019 RM
REVENUE	603,842	1,332,396
Less: COST OF SALES		
Cost of offshore projects	303,359	182,677
Cost of outsource consultants	229,477	828,726
Insurance	-	5,088
Medical expenses	306	21,062
Visa expenses	-	1,060
	533,142	**1,038,613**
GROSS PROFIT	70,700	293,783
Add: OTHER OPERATING INCOME		
Interest income	225	-
	70,925	**293,783**
Less: OPERATING EXPENSES		
Auditors' remuneration		
- current year's provision	5,300	5,500
- over provision in respect of prior year -	(200)	
Bank charges	2	1,167
Depreciation	1,782	2,900
Loss on foreign exchange - realised 3,234	-	
Goods and services tax	-	2,060
Penalty -		9,288
Professional fees	61,929	55,676
Rental of premises	3,824	2,732
Secretarial and filing fees	4,812	3,779
Service tax	406	90
Tax compliance fees	7,245	4,118
	88,534	**87,110**
(LOSS)/PROFIT BEFORE TAXATION	**(17,609)**	**206,673**

Birlasoft Solutions ME FZE

(Formerly KPIT Infosystems ME FZE)
Registrered Office: Dubai Airport Free Zone Area, West Wing 2, Office 2W113, P.O. Box: 54931, Dubai, UAE.

Manager's report

The manager has pleasure in presenting this report and the audited financial statements for the year ended 31 March 2020.

Principal activities

The activity of the establishment as per service license is providing software and IT infrastructure services. During the year also, the establishment was engaged in providing software and IT infrastructure services.

Financial results

The establishment has achieved revenue of AED 961,728 for the year ended 31 March 2020 (31 March 2019 revenue is AED 5,486,074). The net loss for the year is AED 2,501,611 (31 March 2019: net loss is AED 2,337,912). Restructuring of the operations within the group entities under the parent company of the establishment have led to reduction in revenue in the current financial year. The establishment is in process of realigning the operations and working positively to revamp the performance in next financial year. The management is optimistic about the prospects for the next year and expects to improve the performance of the establishment. The management has assessed the impact of COVID-19 on the presented financial statements and it is considered not substantial and not requiring any adjustments in the financial statements for the year ended 31 March 2020.

Management Responsibilities

The company law requires the management to prepare the financial statements for each financial year, which provide a true and fair view of the state of the affairs of the establishment and the net profit or loss for the year. The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the establishment and to enable them to ensure that the financial statements comply with the International Financial Reporting Standards and implementing regulation No.1/2000 issued by Dubai Airport Free Zone Authority pursuant to Law no. (2) of 1996 and its amendment No. (2) of 2000.

Events after the reporting period

There are no significant events after the reporting period affecting the financial statements or disclosures. The management is in the process of assessment of the impact of COVID-19 on the financial performance of the establishment in the coming year.

Shareholder and its interests

The shareholder and its interests in the establishment were disclosed in the note 1 of the financial statements. There were no changes to the shareholding structure during the year.

Management

As per the renewed service license of the establishment, Mr. Sangram Tukaram Kadam and Mr. Elson Varghese Mattappadom are appointed as the managers of the establishment. Mr. Sangram Tukaram Kadam and Mr. Dharmander Kapoor are appointed as the directors of the establishment.

Auditors

Koya Chartered Accountants were the auditors of the establishment for the year ended 31 March 2020 and they express their willingness to continue as auditors for the year ending 31 March 2021.

Acknowledgements

The manager wishes to place on record his sincere gratitude for the continuous support extended by various governments, banks, customers, suppliers, employees and all well-wishers.

Manager

Birlasoft Solutions ME FZE
(Formerly KPIT Infosystems ME FZE)

18 May 2020

Independent auditor's report to the shareholder of M/s Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE), Dubai Airport Free Zone, Dubai - U.A.E

Opinion

We have audited the accompanying financial statements of M/s Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE), Dubai Airport Free Zone, Dubai, U.A.E ("the Establishment") which comprise the statement of financial position as at 31 March 2020, the statement of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the establishment as at 31 March 2020, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and implementing regulation No.1/2000 issued by Dubai Airport Free Zone Authority pursuant to Law no. (2) of 1996 and its amendment No. (2) of 2000. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the establishment in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other responsibilities in accordance with, these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and applicable law of United Arab Emirates, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the establishment's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the establishment or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the establishment's financial reporting process.

Auditors' responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the establishment's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the establishment'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 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 establishment to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the establishment to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

Other matters

As per the information provided by the management, the establishment has assessed and concluded the impact of COVID-19 on the presented financial statements and it is considered not substantial and not requiring any adjustments in the financial statements for the year ended 31 March 2020. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect the COVID-19 impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the establishment for future periods. It is anticipated to negatively impact revenue and related profit, possibly causing losses to be incurred for the coming year, as markets globally continue to contract significantly.

Report on other legal and regulatory requirements

We further confirm that proper financial records have been kept by the establishment and the contents of the managers' report relating to these financial statements are in agreement with the establishment's financial records. We have obtained all the information and explanations, which we considered necessary for our audit. According to the information available to us, there were no contraventions, during the year of the implementing regulation No.1/2000 issued by the Dubai Airport Free Zone Authority pursuant to Law No. (2) of 1996 and its amendment No. (2) of 2000 and Federal Law No. 2 of 2015 (amended) or of the establishment's articles of association which might have materially affected the financial position of the establishment or the results of its operations for the year.

Koya Chartered Accountants
P. P. Kunhamad Koya
Reg. No. 623

19 May 2020

Statement of Financial Position

As at 31 March 2020

(Amount in AED)

	Notes	31 March 2020 AED	31 March 2019 AED
Assets			
Non-current assets			
Property, plant and equipment	5	83,809	125,353
Total non-current assets		**83,809**	**125,353**
Current assets			
Due from related parties	6	160,038	227,417
Accounts and other receivables	7	1,875,729	1,642,513
Cash and bank balances	8	11,656,224	14,122,744
Total current assets		**13,691,991**	**15,992,674**
Total assets		**13,775,800**	**16,118,027**
Equity and liabilities			
Equity			
Share capital	1	1,000,000	1,000,000
Retained earnings		7,863,064	10,364,675
Shareholders' current account	9	185,661	185,661
Total equity		**9,048,725**	**11,550,336**
Non-current liabilities			
Provision for employees' end of service benefits	10	254,046	274,336
Total non-current liabilities		**254,046**	**274,336**
Current liabilities			
Accounts and other payables	11	10,61,046	8 29,183
Due to related parties	6	34,11,983	34,64,172
Total current liabilities		**4,473,029**	**4,293,355**
Total liabilities		**4,727,075**	**4,567,691**
Total equity and liabilities		**13,775,800**	**16,118,027**

For Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE)

Manager

The notes on pages 12 to 24 form an integral part of these financial statements.

Statement of Comprehensive Income

For the year ended 31 March 2020

	Notes	31 March 2020 AED	31 March 2019 AED
Revenue	12	961,728	5,486,074
Cost of consultancy services	13	(776,695)	(818,368)
Staff cost		(1,655,748)	(5,145,987)
General & administration expenses	14	(1,135,220)	(1,964,650)
Other income		104,324	105,019
Loss for the year		**(2,501,611)**	**(2,337,912)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(2,501,611)**	**(2,337,912)**

Statement of changes in equity

For the year ended 31 March 2020

(Amount in AED)

	Shareholder's Share capital AED	Retained earnings AED	Current account AED	Total AED
Balance as at 1 April 2018	1,000,000	12,702,587	185,661	13,888,248
Total comprehensive loss for the year	-	(2,337,912)	-	(2,337,912)
Balance as at 31 March 2019	**1,000,000**	**10,364,675**	**185,661**	**11,550,336**
Total comprehensive loss for the year	-	(25,01,611)	-	(2,501,611)
Balance as at 31 March 2020	**1,000,000**	**7,863,064**	**185,661**	**9,048,725**

Statement of Cash Flows

For the year ended 31 March 2020

(Amount in AED)

	31 March 2020 AED	31 March 2019 AED
Cash flows from operating activities		
Net loss for the year	(2,501,611)	(2,337,912)
Adjustments for:		
Depreciation	41,544	62,125
Allowance for doubtful debts	-	56,784
Provision for employees' end of service benefits	(20,290)	(194,166)
Cash flows before working capital changes	**(2,480,357)**	**(2,413,169)**
Changes in:		
Due from related parties	67,379	(51,055)
Accounts and other receivables	(233,216)	5,148,166
Accounts and other payables	231,863	(666,908)
Due to related parties	(52,189)	(947,161)
Margin money deposits	456,750	-
Net cash (used in)/from operating activities	**(2,009,770)**	**1,069,873**
Cash flows from investing activities		
Additions to property, plant & equipment	-	(1,876)
Net cash used in investing activities	**-**	**(1,876)**
Net (decrease)/increase in cash and cash equivalents	(2,009,770)	1,067,997
Cash and cash equivalents at the beginning of the year	13,528,361	12,460,364
Cash and cash equivalents at the end of the year	**11,518,591**	**13,528,361**
Cash and cash equivalents comprise of:		
Cash at bank	11,518,591	13,528,361

Notes to the Financial Statements

For the year ended 31 March 2020

1. Legal status and business activities

The financial statements combine the following:

i. **M/s.Birlasoft Solutions ME FZE, Dubai, U.A.E** ("parent company"), registered with Dubai Airport Free Zone Authority as a Free Zone Establishment under the service license no: 756 issued on 17 July 2005. The establishment was formerly registered with the name "KPIT Infosystems ME FZE" and the name was changed to "Birlasoft Solutions ME FZE" as per the amended memorandum and certificate of name change dated 05 November 2019.

The shareholder and its shareholding pattern as on the date of statement of financial position is as follows:

Name of the shareholder	Nationality	No. of Shares	AED	%
M/s. Birlasoft Limited	Indian	1	1,000,000	100
		1	**1,000,000**	**100**

ii. **M/s. Birlasoft Solutions ME FZE, branch** (formerly, KPIT infosystems ME FZE, branch) registered with Australian Securities and Investments Commission, Australia, under the Australian Registered Body Number – 164 424 364 issued on 12th July 2013.

iii. **M/s. Birlasoft Solutions ME FZE, branch** (formerly, KPIT infosystems ME FZE, branch) registered is South Korea, as per registration No: 131181-0057655 issued on 13th June 2014. The establishment opened the branch to expand its operations in Korea and Asia Pacific region.

Activity

The activity of the establishment as per service license is providing software and IT infrastructure services. During the year also, the establishment was engaged in providing software and IT infrastructure services.

Management

As per the renewed service license of the establishment, Mr. Sangram Tukaram Kadam and Mr. Elson Varghese Mattappadom are appointed as the managers of the establishment. Mr. Sangram Tukaram Kadam and Mr. Dharmander Kapoor are appointed as the directors of the establishment.

Accounting period

These financial statements relate to the accounts for the period from 01 April 2019 to 31 March 2020.

2 Application of new and revised International Financial Reporting Standards (IFRS)

2.1 New standards, interpretations and amendments effective from January 1, 2019

The following new and revised IFRSs are mandatory to be applied by entities and have been adopted in these financial statements to the extent they are applicable.

- IFRS 16 - 'Leases'
- Amendments to IAS 19 – 'Employee Benefits' - Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28 – 'Investments in Associates and Joint Ventures' - Long-term Interests in Associates and Joint Ventures
- Amendments to IFRS 9 – 'Financial Instruments' - Prepayment Features with Negative Compensation
- Annual improvements 2015 - 2017 cycle as below:
- Amendments to IAS 23 – 'Borrowing Costs' - Borrowing Costs Eligible for Capitalization
- Amendments to IFRS 3 – 'Business Combinations' -Previously Held Interest in a Joint Operation
- Amendments to IFRS 11 – 'Joint Arrangements '-Previously Held Interest in a Joint Operation

2.2 New standards, interpretations and amendments not yet effective

The establishment has not applied the following new and revised IFRSs that have been issued but are not yet effective for annual periods beginning on or after January 1, 2019. The adoption in the relevant accounting period is purely optional and will have required relevant disclosures with in the financial statements.

- IFRS 17- 'Insurance Contracts' (effective for annual periods beginning on or after 1 January 2021)
- Amendments to IFRS 3- 'Business Combinations '-Definition of a Business (effective for annual periods beginning on or after 1 January 2020)

- Amendments to IAS 1- 'Presentation of Financial Statements'- Definition of Material (effective for annual periods beginning on or after 1 January 2020)

- Amendments to IAS 8– 'Accounting Policies, Changes in Accounting Estimates and Errors'- Definition of Material (effective for annual periods beginning on or after 1 January 2020)

- Amendments to the Conceptual Framework for Financial Reporting, including amendments to references to the Conceptual Framework in IFRS Standards (effective for annual periods beginning on or after 1 January 2020)

- Amendments to IAS 28 Investments in Associates and Joint Ventures (effective date has been deferred indefinitely)

- Amendments to IFRS 10 Financial statements (effective date has been deferred indefinitely)

3 Basis of preparation and significant accounting policies

3.1 Basis of combination

These financial statements combine the assets, liabilities and operations of Birlasoft Solutions ME FZE (Formerly KPIT Infosystems ME FZE) in U.A.E, Australia and South Korea. The significant accounting policies adopted in the preparation of these financial statements are set out below.

3.2 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to the operations of the establishment. All significant intercompany balances, transactions, income and expenses have been eliminated on consolidation. The accounting policies adopted have been consistently applied in dealing with items considered material to the establishment's financial statements.

3.3 Basis of preparation

The financial statements are prepared under the historical cost convention, modified to incorporate changes to the carrying values of assets and liabilities as necessary.

3.4 Foreign currencies

3.4.1 Functional and presentation currency

The financial statements are presented in Arab Emirates Dirham (AED), which is the establishment's functional and presentation currency.

3.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the reporting date are translated at rates of exchange ruling at that date. Exchange differences arising in these cases are dealt with in the statement of comprehensive income.

3.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprises of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the establishment and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is spread over its useful lives so as to write off the cost of property, plant and equipment using the straight – line method over its useful lives as follows:

	Years
Air conditioning machine	10
Furniture, fixtures & fittings	8
Motor vehicle	5
Computer systems & peripherals	4
Leasehold Improvements	2

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

3.6 Revenue recognition

Revenue is recognized in the statement of comprehensive income at the fair value of the consideration received and receivable, provided it is probable that the economic benefits will flow to the establishment and the revenue and costs, if applicable, can be measured reliably.

3.6.1 Rendering of services

Revenue represents the net invoiced value of services rendered during the year.

3.7 Employees' terminal benefits

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment. Accordingly, the establishment has no expectation of settling its employees' terminal benefits obligation in the near future.

3.8 Accounts and other receivables

Accounts and other receivables originated by the establishment are measured at cost. An allowance for credit losses of accounts receivable is established when there is objective evidence that the establishment will not be able to collect the amounts due. Indicators that the accounts receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators. When accounts receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income. The carrying value of accounts receivable approximates to their fair value due to the short-term nature of those receivables.

3.9 Accounts and other payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether or not billed to the establishment.

3.10 Impairment

Financial assets

At each reporting date, the establishment assesses if there is any objective evidence indicating impairment of financial assets or non-collectability of receivables.

An impairment loss, if any, arrived at as difference between the carrying amount and the recoverable amount, is recognized in the statement of comprehensive income. The recoverable amount represents the present value of expected future cash flows discounted at original effective interest rate. Cash flows relating to short term receivables are not discounted.

Non -financial assets

At each reporting date, the establishment assesses if there is any indication of impairment of non-financial assets. If an indication exists, the establishment estimates the recoverable amount of the asset and recognizes an impairment loss in the statement of comprehensive income. The establishment also assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced.

The resultant impairment loss or reversals are recognized immediately in the statement of comprehensive income.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise bank balance and demand deposit and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3.12 Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. Assets held under finance lease or hire purchase contracts are included in the statement of financial position at cost less depreciation in accordance with the establishment's normal accounting policies. The future installments are shown as liability. Interest is charged to the statement of comprehensive income over the period of the lease so as to produce a constant periodic rate of interest on the remaining balance outstanding.

3.13 Operating leases

Leases under which the substantial risk and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

4 Significant accounting estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

4.1 Allowance for doubtful debts

Management has estimated the recoverability of accounts receivable balances and has considered the allowance required for doubtful debts on the current economic environment and past default history.

4.2 Property, plant and equipment

Property, plant and equipment are depreciated over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

5 Property, plant and equipment **(Amount in AED)**

	Air conditioning machine AED	Furniture, fixtures & fittings AED	Motor Vehicle AED	Computer Systems & peripherals AED	Leasehold Improvements AED	Total AED
Cost						
Balance at 01 April 2018		232,409	37,000	295,020	17,961	582,852
Additions	-	1,876	-	1,876		
Balance at 31 March 2019	462	232,409	37,000	296,896	17,961	584,728
Additions/disposals	-	-	-	-	-	-
Balance at 31 March 2020	**462**	**232,409**	**37,000**	**296,896**	**17,961**	**584,728**
Accumulated depreciation						
Balance at 01 April 2018	69	102,005	37,000	252,197	5,979	397,250
Depreciation	46	28,910	-	24,477	8,692	62,125
Balance at 31 March 2019	115	130,915	37,000	276,674	14,671	459,375
Depreciation	46	28,764	-	9,928	2,806	41,544
Balance at 31 March 2020	**161**	**159,679**	**37,000**	**286,602**	**17,477**	**500,919**
Carrying amounts						
As at 31 March 2020	301	72,730	-	10,294	484	83,809
As at 31 March 2019	347	101,494	-	20,222	3,290	125,353

Notes to the Financial Statements
For the year ended 31 March 2020

(Amount in AED)

		31 March 2020 AED	31 March 2019 AED
6	**Related party transactions**		
	Due from related parties		
	Birlasoft Technologies, Canada	82,004	-
	Birlasoft Ltd Japan Branch	78,034	82,845
	Birlasoft solutions Inc, USA	-	144,572
		160,038	**227,417**
	Due to related parties		
	Birlasoft Limited, Pune	3,201,603	2,989,631
	Birlasoft Limited, Singapore	154,568	179,703
	Birlasoft solutions Inc, USA	35,332	-
	Birlasoft Solutions Limited, UK	17,681	
	Birlasoft Limited, Bahrain	2,799	-
	KPIT(Shanghai) Software Technology Co Ltd	-	293,063
	Birlasoft solutions, France	-	837
	KPIT Technologies(UK) Limited	-	938
		3,411,983	**3,464,172**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related party transactions represent transactions with shareholder, director and senior management of the establishment and entities in which they have significant influence or control or are similarly influenced or controlled. The establishment enters into transactions with related parties in the normal course of business at prices determined by the management.

During the year, there were cost recharges between the related parties as business executions happened from various entities within the group.

		31 March 2020 AED	31 March 2019 AED
7	**Accounts and other receivables**		
	Accounts receivables	1,659,119	2,213,647
	Less: allowance for doubtful debts	(122,125)	(812,749)
		1,536,994	**1,400,898**
	Staff advances	6,391	6,391
	Deposits	42,923	44,479
	Prepayments	117,245	114,547
	Other receivables	172,176	76,198
		1,875,729	**1,642,513**
	Age wise analysis of accounts receivables		
	Less than 3 months	1,500,165	972,458
	3 - 6 months	35,038	134,316
	More than 6 months	123,916	1,106,873
		1,659,119	**2,213,647**

a) The fair value of accounts receivables is not materially different from their net balances shown in the statement of financial position.

b) The credit risk on accounts receivable is limited as the establishment evaluates its customers and limits the credit risks by ensuring that collections are in line with the agreed terms and conditions.

c) Provision is made against accounts receivables as soon as they are estimated as doubtful.

Movement in the allowance for doubtful debts		
Balance at the beginning of the year	812,749	793,247
Additional allowance during the year -	56,784	
Adjustments/transfers	(6,90,624)	(37,282)
	122,125	**812,749**

(Amount in AED)

		31 March 2020 AED	31 March 2019 AED
8	**Cash and bank balances**		
	Cash at bank	11,518,591	13,528,361
	Margin money deposits	137,633	594,383
		11,656,224	**14,122,744**

9 Shareholder's current account

There are no defined repayment arrangements for the shareholder's current accounts and these amounts are interest free and unsecured.

		31 March 2020 AED	31 March 2019 AED
10	**Provision for employees' end of service benefits**		
	Opening balance	274,336	468,502
	Charges for the year	21,630	68,651
	Reversals during the year	-	(211,083)
	Less: payments during the year	(41,920)	(51,734)
		254,046	**274,336**

		31 March 2020 AED	31 March 2019 AED
11	**Accounts and other payables**		
	Accounts payable	130,985	183,876
	Deferred revenue	178,557	2,181
	Provisions and accrued expenses	626,952	586,173
	Other payable	124,552	56,953
		1,061,046	**829,183**

12 Revenue

Revenue represents income generated from providing software and IT infrastructure services.

13 Cost of consultancy services

Cost of consultancy services include consultancy fee paid to consultants and subcontractors.

		31 March 2020 AED	31 March 2019 AED
14	**General & administration expenses**		
	Legal, visa, professional and other charges	267,234	267,005
	Rent	149,176	300,554
	Travelling and conveyance	153,468	517,631
	Insurance	104,414	115,384
	Communication	49,362	85,088
	Maintenance	35,390	33,579
	Bank charges	31,978	63,507
	Business promotion	4,113	110,379
	Printing and stationery	1,552	5,079
	Miscellaneous expenses	15,524	59,058
	Bad debts	281,465	288,477
	Allowance for doubtful debts	-	56,784
	Depreciation	41,544	62,125
		1,135,220	**1,964,650**

15 Financial instruments

Financial assets and liabilities

Financial assets of the establishment include cash and bank balances, due from related parties and accounts and other receivables and financial liabilities include accounts and other payables, due to related parties and other long term liabilities.

Credit risk

Financial assets, which potentially expose the establishment to concentration of credit risk, comprise principally of bank accounts and accounts receivables. The establishment's bank accounts are placed with banks with good credit ratings. The credit risk on accounts receivables is limited as the establishment evaluates its customers and limits the credit risk by ensuring that collections are in line with agreed terms and conditions. A review of the recoverability of accounts receivables has been carried out as at the statement of financial position date and adequate provisions have been raised.

Exchange risk

Currency risk related to change in exchange rate which affect payment flows in foreign currencies and valuation of liabilities in foreign currencies. The establishment regularly monitors exchange fluctuations and take such steps as may be required to cover itself.

Liquidity risk

The establishment manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due. The establishment maintains good working relations with its banks and ensures compliance with the covenants as stipulated in facility agreements.

Interest rate risk

The establishment is not exposed to any interest rate risk as they do not have any variable interest rate financial assets/liabilities at the reporting date.

Fair value

The management believes that the fair values of the financial assets and liabilities are not materially different from their carrying amounts at the statement of financial position date.

16 Contingent liabilities and capital commitments

	31 March 2020 AED	31 March 2019 AED
Letters of guarantee	**137,633**	**594,383**

There are no known contingent liabilities except the above and ongoing business obligations in the normal course of business against which no loss is expected, with the exception of the issues surrounding the COVID-19 outbreak, which is anticipated to negatively impact the revenue and related profit, possibly causing losses to be incurred for the coming fiscal year, as markets globally continue to contract significantly.

17 Comparative amounts

Previous year amounts have been regrouped and reclassified wherever necessary to make them comparable to those of the current year.

NOTES

NOTES

Birlasoft's Global Presence

India Offices

Registered & Corporate Office

35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi,
Pune - 411057, Maharashtra, India.
Phone: +91-20-6652 5000

Software Development Centres

SEZ Premises

Custom Wing Unit, Seepz SEZ,
Andheri (E), Mumbai – 400096, India.
Phone: +91-22-2829 6100

IT-3 Unit, SDF VII, Seepz SEZ,
Andheri (E), Mumbai – 400096, India.
Phone: +91-22-2829 6200

TSI Wave Rock, Tower 2.1,
Level 15 & 16, Sy. No. 115(P),
APIIC IT/ITES SEZ, Nanakramguda,
Serilingampally Mandal,
Rangareddy district, Hyderabad,
Telangana- 500008.
Phone: +91-40-6738 2500

34 & 35, Noida Special Economic Zone,
Phase – II, Noida – 201305,
Uttar Pradesh, India.
Phone: +91-120-3073555

STPI Premises

Assotech Business Cresterra
Tower 3, Plot No. 22, Sector 135,
Expressway Noida, 201301.
Phone: +120-6629000

Building A, Plot No. EL-207/1,
TTC Industrial Area, Mahape,
Navi Mumbai – 400710,
Maharashtra, India.
Phone: +91-22-2778 3100
+91-22-71054001

Prince Infocity II, 8th Floor,
No.283/3A, 283/4A & 283/4B,
OMR, Kottivakkam Village,
Kandanchavadi,
Chennai, Tamil Nadu - 600096.
Phone: +91-44-22502371
+91-44-61432000

Cedar Block, 4th and 5th Floor,
Kundalahalli Village, Kr Puram Hobli,
Whitefield, Bengaluru,
Karnataka- 560 066.
Phone: +91-80-4180 0000

Other Premises

6th Floor, SKCL Triton Square
C3 to C7, Thiru-Vi-Ka Industrial Estate
Guindy, Chennai – 600032, India.
Phone: +91-44-2250 2371

Overseas Offices

United States of America

399, Thornall Street, 8th Floor, Edison,
NJ 08837, United States of America.
Phone: +732-321-0921

111 Woodmere Road, Suite 200
Folsom, California 95630,
United States of America.
Phone: +1-916-985-0300

1730 Varsity DR, STE 450,
Raleigh, NC 27606.
Phone: +919-755-5300

3258 W Two Mile House RD
Columbus, IN 47201.
Phone: +1-812-799-3606

Canada

8120-128 Street,
Surrey BC V3W 1R1, Canada.
Phone: +1-647-274-6979

2800 Skymark Avenue, Suite 203
Mississauga, Ontario, L4W 5A7.
Phone: +1-647-274-6979

Mexico

Rio Duero 31, Col. Cuauhtémoc
Alcaldía Cuauhtémoc Ciudad de México.
México, CP 06500

Brazil

Alameda Santos, 1165– 10º
andar – Cerqueira Cesar
CEP 01419-002 – São Paulo / SP- Brasil.
Phone: +55-11-4081-3010

R Vigario Tenorio,
194 - Sala 202 Box 05 - Porto Digital,
Cep 50.030-010 –
Recife / Pe - Brasil.

United Kingdom

4th Floor, 53-54, Grosvenor Street,
London W1K 3HU.

Germany

Detmolder Straße 235,
33605 Bielefeld, Germany.
Phone: +49-521-305665-0

Kapellenstrabe 47,
65830 Kriftel, Germany.

France

19 boulevard Malesherbes 75008 Paris,
France.

Singapore

#11-07 Paya Lebar Square
60 Paya Lebar Road, Singapore 409 051.
Phone: +65-6822-7206

South Africa

BDO Building, Wanderers Office Park
52 Corlett Drive, Illovo 2196.

South Korea

A-410-1, 410-2, SAMHWANHIPEX,
Sampyung-Dong, 240, Pangyoyeok-ro,
Budang-gu, Seongnam-si,
Gyeonggi-do 13493, Korea.

United Arab Emirates

Dubai Airport Free Zone Area,
West Wing 2, Office 2W113,
P.O. Box: 54931, Dubai,
United Arab Emirates.
Phone: +971-4-2998842

Australia

Level 36, Governor Phillip Tower
One Farrer Place, Sydney NSW 2000.
Phone: +612-8823-3384

Malaysia

Unit 30-01, Level 30, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South No.8, Jalan Kerinchi 59200
Kuala Lumpur, Malaysia.

Level 32, Menara Allianz Sentral
203 Jalan Tun Sambanthan
50470 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.

Netherlands

Siriusdreef 17 – 27,
2132 WT Hoofddrop, Netherlands.

Poland

ul. Zwycięska 45 53-033, Wrocław, Poland.

Switzerland

C/O RSM Switzerland AG; Leutschenbach-
strasse 45, Zürich, Switzerland CH-8050.

Sweden

C/O AddControl Consulting AB,
Wallingatan 38, S-111 24 Stockholm.