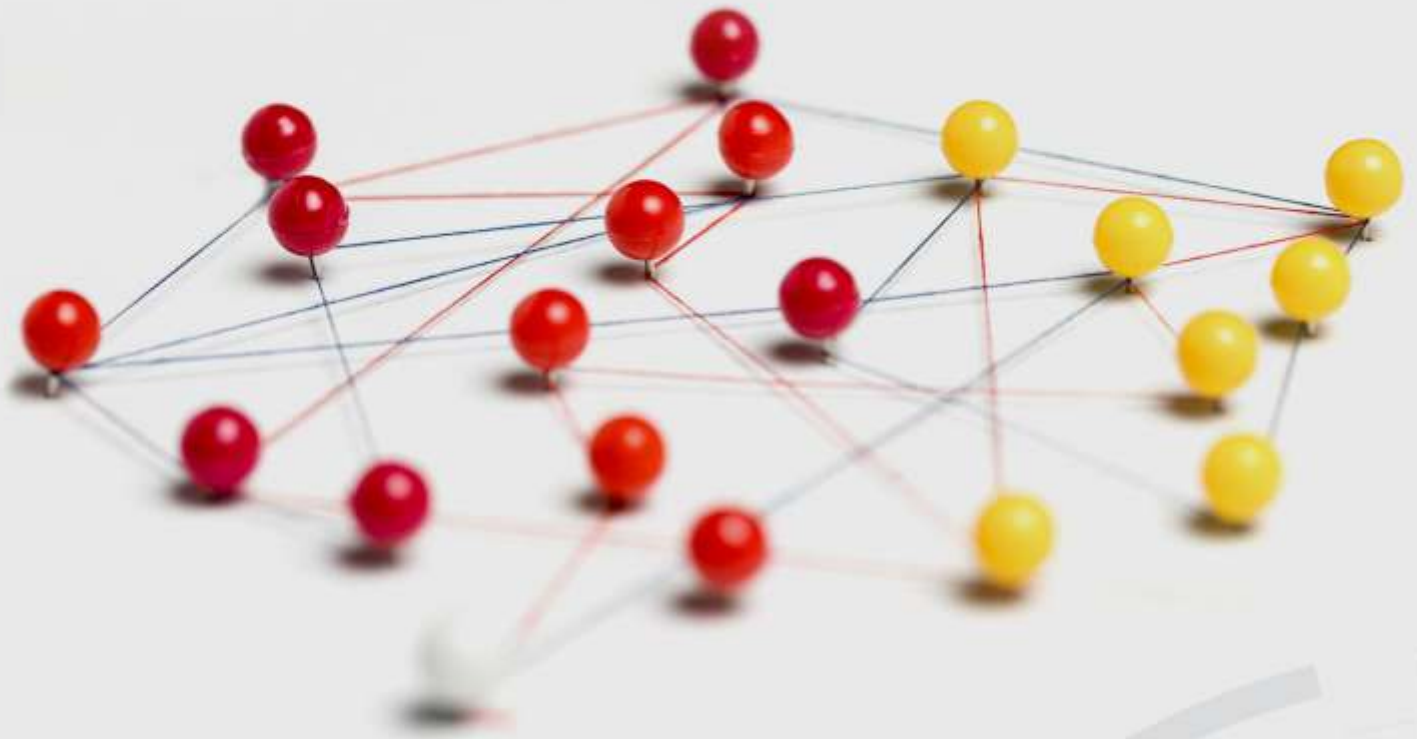# Creating **Engaged** and **Sustainable** Communities.

Engaged. Dependable. Challenger.

Chairman's Letter- FY 20

The world as we know it, has over the last few months gone through the greatest upheaval of recent times. I am of course referring to COVID-19 which promises to change the way we do business and the way we as humans live and associate with each other. The novel coronavirus has caused far reaching disruption, not just to human health but also to socio economic activity. History tells us of a few other such similar phenomena: the Plague, the Spanish flu and the Russian flu of the 1890's. Each time it has been through the endeavours of mankind: technology and science that we have adapted and advanced in those few years following the outbreaks, with the greatest spurts of creativity. I have no doubt we will do the same this time around. But to do that we have to be agile and nimble, both as a people and as Corporates. It is our duty and responsibility to take this up as an opportunity and as a re imagination of business as usual.

The CK Birla Group has always been known for commitment to the community. And at Birlasoft, we believe in the concept of sustainable development in order to make a positive and viable impact to the society through our community initiatives. Our programs around environmental sustainability and women's empowerment also provide a genuine impetus to the volunteers who devote time and effort to these endeavours. During the year, various CSR initiatives like Shodhan (tackling the issue of crop residue burning in Haryana and Punjab in active participation with the CII Foundation) and Disha (focus on infrastructure development of identified schools and co-scholastic development of students studying in classes I to VIII) were rolled out. As the COVID-19 pandemic raged across the country, Birlasoft partnered with 'Under The Tree (UTT)', a Noida based Non-Governmental Organization (NGO) to actively support daily wage earners during the lockdowns. Through the nutrition campaign entitled "Meal First", volunteers from Birlasoft and UTT were able to bring a positive change to the lives of 1,600 people, including 450 children. Food supplies and hygiene kits were also donated. All this is in addition to the financial contribution Birlasoft made to the PMCARES Fund, the Indian government's fight against COVID-19.

As we move ahead and the challenge against COVID-19 continues, I want to thank all our stakeholders for their generous support and cooperation. I look forward to yet another exciting year of opportunities for Birlasoft in the new normal.

Amita Birla
Chairman

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1

Introduction

Introduction

1.1 About the Company

Birlasoft combines the power of domains, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multibillion dollar diversified, The CK Birla Group, Birlasoft, with its 10,200+ engineers, is committed to continuing the group's 158- year heritage of building sustainable communities.

CK Birla Group Profile

The CK Birla Group is a growing US$2.4 billion conglomerate that has a history of enduring relationships with renowned global companies.

With over 25,000 employees, 41 manufacturing facilities, 21 service delivery locations and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education.

Group companies are strengthened by shared guiding principles that include a focus on long-term value, trust-based relationships and philanthropy. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

1.2 Post Merger Update

Members would be aware that effective from January 15, 2019, Birlasoft (India) Limited and KPIT Technologies Limited's IT Services business merged to form a leading publicly listed Enterprise Digital and IT Services company named Birlasoft Limited. The shares of the erstwhile KPIT Technologies Limited (NSE: KPIT) traded as ex-Engineering business since January 24, 2019. The name of erstwhile KPIT Technologies Limited (NSE: KPIT) and its Stock Ticker, changed to Birlasoft Limited and (NSE:BSOFT) respectively, after the change in the name with the Registrar of Companies effective February 8, 2019. The shares of erstwhile KPIT Technologies Limited's Engineering Services business got listed on the stock exchanges and began to trade on April 22, 2019 with the Company name and Ticker as KPIT Technologies Limited and NSE: KPITTECH respectively.

Birlasoft Limited, in its new avatar (after merger and demerger with KPIT Technologies Limited) is distinctively positioned for opportunities in the enterprise digital space. The last financial year was about stabilizing the integration of two companies across processes, people and systems, strengthening the capabilities and acquisition of talent in senior leadership roles across the delivery and sales, optimizing certain non-strategic

businesses and the tail accounts. There has already been an acceleration in Birlasoft's participation in large deals, evident from the signing in October 2019, the transformational multi services deal worth US$ 240 M TCV, with US based healthcare major Invacare Inc. The Invacare deal is the largest deal in Birlasoft's history and the Company expects to gain traction in market leveraging scale play and execution capabilities at the back of this deal.

Birlasoft has unique, industry leading capabilities from the Enterprise Product and Cloud companies: SAP, Oracle, J D Edwards and Salesforce.com. The company has the highest level of partnership with SAP, Oracle as well as with Salesforce, a position unmatched by any other similar company. Significant 'Digital' capability in Analytics, RPA (Robotic Process Automation), Digital Portals, User Experience and Digital advisory services. Significant capability and presence in Application Development, Support and Maintenance for Next Generation Services in the digital world.

Some of the other notable highlights during the past year are as under:

- From a consecutive, sequential de-growth at the beginning of year, we delivered an industry leading growth in H2FY20 and we exited the year with a Q4 revenue growth of 11.0% YoY and with Q4 revenue at US$ 125.6 M, Birlasoft also hits the US$ 500 M revenue run rate.

- EBITDA margin expanded by 220 bps YoY, with FY20 EBITDA at ₹ 392 crores; up 22% YoY.

- Our utilization, improved from 78% in Q1 to 81% in Q4, a 3% improvement YoY.

- Our deal momentum over the year was record-making in the history of Birlasoft. For the year, we have won US$ 669 M of deals of which 64% are new deals.

- Our Days Sales Outstanding (DSO) improved from 72 days in March 2020 to 79 days in March 2019.

- Attrition which was high of 22.5% during the times of the merger, improved and came down to 18.9% at the end of Q4-lowest in last 5 quarters.

- The Company rolled out a new verticalized org structure effective April 1, 2019.

1.3 Financial Performance

The last financial year, which is FY 2019-20 was Birlasoft Limited's first full year of operations after the merger, effective January 1, 2019. The company reported a revenue of ₹ 3,291 Crore (US$ 464 Mn), EBITDA margin at ₹ 392 Crore (US$ 554.3 Mn) a margin of 11.9% and a PAT of ₹ 224 Crore (US$ 31.6 Mn). The Company has

strong Enterprise Solutions capabilities coupled with digital capabilities, making it as a formidable competitor in the market.

Birlasoft Limited's headcount count as of March 31, 2020, stood at 10,268 and saw net addition of 207 professionals during the year. The Cash and Cash Equivalent was up from US$ 83.1 Mn in FY19 to US$ 88.4 Mn (₹ 6,662 Mn); up by US$ 5.3 Mn (₹ 913 Mn).

During the year under review, the Board of Directors declared an Interim Dividend of ₹ 1/- (50%) per equity share of face value of ₹ 2/- each on the paid-up equity share capital of the Company.

Furthermore, your Directors are pleased to recommend a final dividend of ₹1/- (50%) per equity share of face value of ₹2/- each for the financial year ended March 31, 2020, subject to the approval of members at the ensuing Annual General Meeting of the Company, as against the dividend of ₹2/- (100%) per equity share paid in the immediately preceding year.

The Revenue split for FY20 is as under:

Client Geography	FY20
Americas	79.1%
Europe	10.6%
Rest of the World	10.3%
Total	**100.0%**

Revenue by Industry Verticals	FY20
Discrete Mfg, Hitech & media	18.4%
BFSI	18.7%
Energy & Utilities	17.8%
CPG, Retail & Process Mfg	12.4%
Lifescience	19.3%
Automotive	13.4%
Total	**100.0%**

Revenue by Service Offerings	FY20
Intergrated Enterprise Solutions (IES)	32.6%
SAP	17.2%
Digital Transformation (DT)	27.9%
Custom Application Development	12.3%
Other horizontals	10.0%
Total	**100.0%**

1.4 Enterprise Risk Management (ERM) Framework

In an environment of volatile global economy and constantly evolving technologies, to support the Company in its pursuit of its mission, an effective Enterprise Risk Management (ERM) framework is implemented by the company. The comprehensive ERM framework is iterative process of continually identifying

In an environment of volatile global economy and constantly evolving technologies, to support the Company in its pursuit of its mission, an effective Enterprise Risk Management (ERM) framework is implemented by the company. The comprehensive ERM framework is iterative process of continually identifying the risks that are threatening to the company's sustainability. The company maintains a Risk Register and implements suitable risk mitigating plans for each risks identified therein. Risks are reviewed by the Risk Management Committee periodically.

Please refer to separate section on Enterprise Risk Management in the Annual Report 2019-20 which is available on www.birlasoft.com.

1.5 Information about the Subsidiaries

Birlasoft has wholly owned subsidiaries and step-down subsidiaries in the United States of America, Canada, United Kingdom, United Arab Emirates, France, Germany, Malaysia, Brazil and Mexico. It also has branches in Singapore, Poland, Sweden, Switzerland and South Africa. Further, the subsidiaries of Birlasoft have branches in Australia, the Netherlands, South Korea; in order to give it a local presence in the countries where its customers operate, and also to service its customers more efficiently. Local presence has also helped the Company in building a diverse workforce.

1.6 Industry Recognition, Awards & Leadership

- Birlasoft named Top 15 Technology Services Provider by Information Services Group (ISG)
- Birlasoft wins 'Distinguished Partner Award' at the Oracle JD Edwards Summit 2019
- Birlasoft featured in the Everest Group PEAK Matrix Service Provider: Top 10 ITS Challengers list 2020
- Birlasoft featured as a Major Contender and a Star Performer in Everest Group Application and Digital Services in Banking-PEAK Matrix™ Assessment 2020
- Birlasoft wins Two Oracle Excellence Awards for 2019 at the Oracle India Partner Forum FY19 in Jaipur
- Birlasoft featured in Execution Zone for 7 major industry verticals in Zinnov Zones 2019 Media and Technology Report
- Birlasoft recognized as an Niche Player in 2019 'Magic Quadrant for Oracle Cloud Applications Services, Worldwide'
- Birlasoft recognized with the 'Companies with Great Managers' award at the 4th Edition of the 'Great Managers Awards' 2019
- Birlasoft honored with the ACE Alliance Award for successful partnership with SAP®

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Corporate Governance and Management Practices

Corporate Governance and Management Practices

Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. It entails managing business in a manner that is accountable and responsible to the shareholders.

Corporate Governance implies an accurate, adequate and timely disclosure of relevant information. It includes the processes through which organization's objectives are set and pursued in the context of the social, regulatory and market environment. Efficient, transparent and impeccable Corporate Governance is vital for stability, profitability and desired growth of the business of any organization. The importance of such Corporate Governance has now become more intensified, owing to ever-growing competition and rivalry in the businesses of almost all economic sectors, both at the national and international levels. Therefore, the Companies Act, 2013 [hereinafter referred to as "the Act"], and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "the SEBI (LODR) Regulations, 2015"], have innovative means to make Corporate Governance in India optimally progressive, transparent and beneficial to all the stakeholders.

Corporate Governance is basically an approach of managing efficiently and prudently all the activities of a company, in order to make the business stable and secure, growth-oriented, maximally profitable to its shareholders and highly reputed and reliable among all customers and clients. The Company is directed and controlled in a way in order to achieve the goals and objectives to add value to the Company and also benefit the stakeholders in the long term. The Board structure and top management are directly and exclusively responsible for such governance. For these purposes, the top management must have flawless and effective control over all affairs of the organization, regular monitoring of all business activities and transactions, proper care and concern for the interest and benefit of the shareholders and strict compliances to regulatory and governmental regulations. Thus, Corporate Governance is strict and efficient application of all best management practices and corporate & legal compliances, amid the contemporary and continually changing business scenarios.

We have been practicing Corporate Governance to ensure transparency in our corporate affairs and are committed to continuously scale up the Corporate Governance standards.

Our Corporate Governance framework has been built on the Company's value system which is as follows:

Engaged: People are our biggest assets. This includes the customers we serve, our colleagues and the suppliers we partner with. When customers work with us, they allow us to enter their organization and blend harmoniously with their culture and people. We engage with them to work seamlessly and it's no different when it comes to working with our partners.

Dependable: Customers look for support and we need to make them feel that they can rely on us. It's very important for us to find out how we as an organization can win their trust and continue to function as a dependable unit.

Challenger: Our Organization is about scale and quality. We take great care to deliver the best to our customers by understanding their needs. Focus, agility and flexibility from our side are always paramount as we go the extra mile to drive success for our customers.

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner based on the following principles:
1. Compliance with the relevant provisions of securities laws and conformity with globally accepted practices of corporate governance, secretarial standards provided by the Institute of Company Secretaries of India and laws of India in true spirit;
2. Integrity in financial reporting and timeliness of disclosures;
3. Transparency in the functioning and practices of the Board;
4. Balance between economic and social goals;
5. Equitable treatment and rights of shareholders;
6. Maintenance of ethical culture within and outside the organization;
7. Establishing better risk management framework and risk mitigation measures; and
8. Maintaining independence of auditors.

We seek to protect the shareholders' rights by providing timely and sufficient information to the shareholders, allowing effective participation in key corporate decisions and by providing adequate mechanism to address the grievances of the shareholders. This ensures equitable treatment of all shareholders including minority and foreign shareholders. We ensure timely and accurate disclosure on significant matters including financial performance, ownership and governance of the Company. We implement the prescribed accounting standards in letter and spirit in the preparation of financial statements, taking into account the interest of the stakeholders and the annual audit is conducted by an independent and qualified auditor. Investor updates are uploaded on the Company's website on quarterly basis and also intimated to the stock exchanges for its stakeholders. Further, additional updates are provided to the stakeholders on any matter that concerns them, as and when the circumstances arise.

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

2.1 Board Composition

The composition of the Board is decided considering the following criteria:

1. Compliance with statutory and regulatory norms
2. Appropriate mix of independent and non-independent directors
3. Entrepreneurship
4. Diversity
5. Industry Experience
6. Specialized knowledge in:
   a. Business Strategy
   b. Global Markets
   c. Technology and Innovation
   d. Financial Management
   e. Accounting
   f. Customer Relationship Management
   g. Investment Banking
   h. Human Resource Management
   i. Operational Excellence
   j. Industries which are the focus areas for the company

The Company has a judicious mix of Executive, Non-Executive and Independent Directors on the Board which is essential to separate the two main Board functions viz. governance and management. Out of the total strength of eight Directors as on March 31, 2020, five are Independent Directors, two are Non-Executive Directors and one is an Executive Director.

The list of core skills/competencies identified by the Board of Directors are as follows:

a) Expertise in legal, finance & accountancy,
b) Technical consultancy,
c) IT business operations,
d) Human resources (stakeholder engagement),
e) Sales & delivery,
f) Risk management,
g) Knowledge of the industry,
h) Leadership,
i) Board service & governance.

There is a constant endeavor to align the core skills/competencies of the Directors with the ongoing trends.

The Independent Directors of the Company are chosen keeping in mind the definition of 'Independent Director' as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and the Companies Act, 2013.

Apart from this, the Company has well defined standards for selecting the Independent Directors. The Independent Directors are prominent and distinguished figures from the industry and have an astute knowledge of the industry and business. At Birlasoft, we have renowned personalities as Directors, who are leaders of their field and are truly independent.

The brief profile of the Directors as on March 31, 2020 is as follows:

Mrs. Amita Birla is the Chairman of Birlasoft Limited and the Co-Chairman of the CK Birla Group. As Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider.

Mr. Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and Technology, Art and Culture.

Mr. Dharmander Kapoor is the Chief Executive Officer (CEO) & Managing Director of the Company. He has more than 29 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Product Engineering. At Birlasoft, as the Chief Operating Officer, he managed its global operations, delivery, marketing and global business for BFSI, Europe and APAC. He is responsible for sustainable growth and margins. He has led the merger of Birlasoft (India) Limited with KPIT's IT services organization and is driving the integration and harmonization of the new organization for continued customer focus and growth. Mr. Kapoor is an executive with proven success and entrepreneurial leadership in growing businesses for information technology and solutions. He has been instrumental in shaping the new Birlasoft from being known as IT Service Provider for GE to an Enterprise Digital company. With his in-depth technical skills and impressive experience in consulting, he helped Birlasoft develop key IPs (3rdEye, ValueISM, Enterprise Digital, etc.) in delivering differentiated value to its clients. He is a regular speaker at industry events including Oracle OpenWorld, Dreamforce, NASSCOM, CIO Round Table, etc. and also enjoys publishing his thought leadership articles in various publications. He is known for his people and customer skills.

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

Ms. Alka Bharucha holds B.A. (Hons.), L.L.B (University of Bombay), L.L.M (University of London), Solicitor, High Court (Mumbai) and Supreme Court of England and Wales. She is a Member of the Bar Council of Maharashtra and Goa and the Bombay Incorporated Law Society. She is also an Advocate on Record, Supreme Court of India. Ms. Bharucha began her career with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which since inception has been ranked by RSG Consulting, London among the top law firms in India. For years, she has been ranked by Chambers Global, Legal 500 and Who's Who Legal, etc. amongst India's leading lawyers. Ms. Bharucha chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance. Her general corporate work includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors, foreign venture capital investors, merchant bankers and other financial intermediaries. She has particular experience acting for financial services clients as well as those in the telecommunications, power and logistics sector and is also actively engaged in representing trans-national corporations for investments in retail, defense and manufacturing space.

Mr. Ashok Kumar Barat had a long and distinguished executive career in the corporate sector until his retirement in 2016, as the Managing Director and Chief Executive Officer of Forbes & Company Limited. He has held leadership positions in various Indian and multinational organizations, both in India and overseas - Hindustan Lever Limited, RPG Group, Pepsi, Electrolux, Telstra, and Heinz. Mr. Barat is a Fellow, Institute of Chartered Accountants of India, Fellow, Institute of Company Secretaries of India, and CPA (Australia). He has been an active contributor to public life and dialogue; Past President Bombay Chamber of Commerce and Industry, for several years a Trustee of the Mumbai Port Trust, and presently Member, Managing Committee of ASSOCHAM and President, Council of EU Chambers of Commerce in India. He is a Certified Mediator empaneled with the Ministry of Corporate Affairs, Government of India. Mr. Barat mentors budding entrepreneurs and advises companies on 'Strategy', 'Performance Improvement' and 'Governance Initiatives'. He is a Member of the Board of Directors of several companies.

Ms. Nandita Gurjar is a Technologist turned HR professional. Ms. Gurjar's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like Software Coding and Testing, Program documentation and Quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the Leadership institute. In 2003, she moved to the newly setup subsidiary Infosys BPO (then called Progeon) to Head the HR function. In 2007, she took over as the Global Head HR for Infosys Group, managing over 150,000 employees. In this role she led the Infosys People strategy and Employer branding across its global footprint. She was appointed as a member of Executive Council in 2011 and moved to the US Headquarters to manage the globalization initiatives of the organization. In 2013, she moved to head the Education & Research wing of Infosys which skilled the workforce on latest technologies and over saw over 1 million days of training annually. In April 2014, Ms. Gurjar got selected for Advanced Management Program (AMP) at Harvard Business School. She went on a sabbatical from Infosys for 6 months to join the program and upon her return exited from the Company.

Ms. Gurjar was the member of World Economic Forum (WEF) – Global Advisory Council on New Models of Leadership. She is often invited to speak on HR strategy, work force management and business leadership. She has addressed several forums such as World Bank, Conference Board and Great Places to work, USA. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India" in Business Today magazine.

Currently, Ms. Gurjar is an Advisor to Startups and is an Independent Director in both listed and unlisted companies. She is an Advisor to the Leadership Institute of SBI, India's largest bank and consults with organisations on HR strategies and execution.

Mr. Prasad Thrikutam has an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies. He advises CEOs and BODs of companies across industries on their transformation leveraging AI and Digital. Mr. Thrikutam was the President and Global Head-Applications and Digital Business at Dell Services from 2014 to 2017. He was also the CTO responsible for strategy and business innovation for Dell across various business of Dell Technologies. He helped turn around the Dell services and helped in its sale at a 3+b valuation to NTT. Mr. Thrikutam joined Dell in 2014 from Infosys where he held various key leadership roles from 1995 to 2014. He worked alongside the founders to scale Infosys from a USD 27 million Company to a USD 10+b global brand. When he left Infosys, he was part of the C-suite and an executive committee member, he had multiple executive leadership responsibilities including - Head of Infosys Americas, Head of multiple vertical BUs globally, board member of multiple subsidiaries. Prior to that, he led the Energy, Utilities and Telco and high-tech & manufacturing BUs globally. His main expertise is in scaling medium sized business to large, highly differentiated and profitable business. He helped start several new businesses for Infosys and Dell including Consulting, Digital and new verticals like Retail, Oil & Gas, etc. each of these are today multiple billion $ businesses for the Companies. He is a thought leader with unique ability to drive CEO level engagement and excels at connecting several business and technology trends to articulate a comprehensive and winning business strategy. He has demonstrated this in every one of his roles in the past 25+ years. He has a strong industry network across several technology and services firms globally; having led several vertical businesses. He understands the unique challenges and opportunities across Hi- Tech, manufacturing, Oil & Gas, utilities, transportation, healthcare, insurance, hospitality and services industries. Throughout his career, he has built globally diverse high-performance teams. He enjoys identifying and nurturing future leaders and has mentored several leaders including CEOs in his role as a board member. From 2006-2014, Mr. Thrikutam served on several boards – this includes Infosys BPO (700+m), Infosys China (150+m) and Infosys Public Services (120+m); he also served on the Board of Energetics, a leading global energy business based in Houston.

2.2 Board Committees

The Company takes various initiatives to ensure the active participation of the Directors, particularly, the Non-Executive Directors, in the decision-making and review process some of which are given below:

1. All the Board Committees are chaired by Non-Executive/Independent Directors. The Company has

the following Committees:
A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders Relationship Committee
D. Corporate Social Responsibility Committee
E. Risk Management Committee

2. The Board of Directors have an Annual Strategy Meet to deliberate on the Annual Operating Plans (AOPs), review the status of the plan and set the direction for long range plans.

A. The Company has an Audit Committee consisting of five Independent Directors. Mr. Ashok Kumar Barat is the Chairman of this Committee, and Mr. Anant Talaulicar, Ms. Alka Bharucha, Ms. Nandita Gurjar and Mr. Prasad Thrikutam are the other members. The Committee plays a major role in reviewing and improving internal controls, internal audit function, financial reporting, reviewing the performance of statutory and internal auditors and code of conduct. The role and objectives of the committee include:
    i. oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
    ii. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
    iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
    iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
        a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
        b) changes, if any, in accounting policies and practices and reasons for the same;
        c) major accounting entries involving estimates based on the exercise of judgment by management;
        d) significant adjustments made in the financial statements arising out of audit findings;
        e) compliance with listing and other legal requirements relating to financial statements;
        f) disclosure of any related party transactions;
        g) modified opinion(s) in the draft audit report;
    v. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

vi. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/rospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii. approval or any subsequent modification of transactions of the Company with related parties;

ix. scrutiny of inter-corporate loans and investments;

x. valuation of undertakings or assets of the Company, wherever it is necessary;

xi. evaluation of internal financial controls and risk management systems;

xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. discussion with internal auditors of any significant findings and follow up there on;

xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

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

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

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

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

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

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

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

xxv. internal audit reports relating to internal control weaknesses;

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

xxvii. statement of deviations:
a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

B. Company has a Nomination and Remuneration Committee consisting of two Independent Directors and one Non-Executive Director. Mr. Anant Talaulicar, is the Chairman and Mrs. Amita Birla and Ms. Nandita Gurjar are the other members of the Committee. The role and objectives of the Committee include:

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

ii. formulation of criteria for evaluation of performance of board of directors, its committees, individual directors and independent directors, to be carried out by the Committee or by an independent external agency and review its implementation and compliance;

iii. devising a policy on diversity of Board of Directors;

iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and

removal;

    v. decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

    vi. recommend to the Board, all remuneration, in whatever form, payable to senior management.

C. The Company has a Stakeholders Relationship Committee to look into shareholder-related matters. Ms. Alka Bharucha is the Chairman of the Committee, Ms. Nandita Gurjar and Mr. Prasad Thrikutam are the other members. During the year, the committee was reconstituted w.e.f. March 27, 2020, wherein Mr. Ashok Kumar Barat ceased to be the member of the Committee and Ms. Nandita Gurjar was appointed as the member. The role and objectives of the committee include:

    i. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.;

    ii. Review of measures taken for effective exercise of voting rights by shareholders;

    iii. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;

    iv. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

D. The Company has a Corporate Social Responsibility (CSR) Committee to oversee the discharge of Corporate Social Responsibility obligations, as required by Section 135 of the Act, and the relevant rules. The Committee consists of Mrs. Amita Birla, who is the Chairman, Ms. Nandita Gurjar and Mr. Anant Talaulicar are the other members of the Committee. The role and objectives of the Committee are:

    i. formulation and recommendation of CSR policy to the Board;

    ii. identification of activities to be undertaken by the Company;

    iii. recommendation of amount of expenditure on CSR activities;

    iv. monitor the CSR policy from time to time.

E. The Company has a Risk Management Committee with an integrated approach to managing the risks inherent in the various aspects of business. As a part of this approach, the Company's Board is responsible for monitoring risk levels according to various parameters and ensuring implementation of mitigation measures, if required. The Committee consists of Mr. Prasad Thrikutam, who is the

Chairman, Mr. Anant Talaulicar, Ms. Alka Bharucha, Mr. Ashok Kumar Barat and Ms. Nandita Gurjar are the other members of the Committee. The role and objective of this Committee is to monitor and review the risk management plan & cyber security of the Company.

2.3 Board and Senior Management Compensation

The compensation of the Board is determined in accordance with the following parameters:

- Legal Considerations:
  This takes into account the maximum limit set out by the Companies Act, 2013 and the rules made thereunder for remunerating Executive and Non-Executive Directors and is primarily based on the profits of the company for the financial year.

- Best Practices:
  - Remuneration to Executive Directors consists of a fixed component and a performance-based incentive. These are based on the individual performance of the director and the overall performance of the Company.
  - Remuneration to Non-Executive Directors is based on the director's chairmanship/ membership of the Board Committees, contribution of the Director to the Company's business outside the Board/Committee Meetings and the duration of directorship during the year.

Compensation of Independent Directors is decided based on the following factors:
- Attendance at Board meetings
- Attendance at Board committee meetings
- Chairmanship of the Board committees
- Contribution at the Board and Committee meetings
- Guidance and support provided to senior management of the Company outside the Board meetings
- Industry practices
- Performance evaluation and
- Performance of the Company

Similarly, compensation of the Senior Management consists of a fixed salary component and variable pay. The variable pay is dependent on the performance of the individual and that of the Company.

2.4 Vigil Mechanism and Whistle Blower Policy

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

direct access to the Chairman and members of the Audit Committee in exceptional cases. This Policy has been uploaded on the website of the Company for effective circulation and implementation. The purpose of this Policy is to establish procedures for:

1. to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization and to create awareness amongst employees to report instances of leak of unpublished price sensitive information;

2. to check that whenever any unacceptable/ improper practice and/or any unethical practice and/or any instances of leak of unpublished price sensitive information and/or any other genuine concern is reported by a Director or an employee and proper action is taken for such reporting;

3. receipt, retention and treatment of complaints received by the Company regarding improper activities, financial or otherwise, in the Company; and

4. submission by Whistle Blower on a confidential and/or anonymous basis, of concerns regarding improper activities.

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

1. raises concerns against improper activities; or

2. provides information or otherwise assists in an investigation or proceeding regarding improper activities.

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

Everyone in the Company is responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this Policy. No employee or Director of the Company has the authority to engage in any conduct prohibited by this Policy. It is also hereby confirmed that no personnel has been denied access to the Audit Committee.

Birlasoft for Innovation

Birlasoft for Innovation

One Innovative Idea. Many Brilliant Solutions. Future Redefined!

As an organization, we are at the forefront of innovation. Over the years, we have regularly developed frameworks to supplement innovative ideas and provide them a platform to be unearthed through new solutions that benefit customers and communities across the world.

With innovation in our DNA, backed by the acumen and prowess of our people, we regularly engage with our stakeholders to ensure that they reap the benefits of their digital investments and our solutions and services help raise each **Enterprise to the Power of Digital™.**

About our Initiatives

Why?

An innovative company is defined by the focus it places on nurturing creative ideas from its employees. We, at Birlasoft, believe that it is our inherent **Challenger spirit** that allows us to be recipients of concepts that redefine the future.

How?

By leveraging close to three-decades of industry expertise, knowledge-base and organizational values to promote innovation within the organization. We focus on client-specific challenges, using frameworks like design thinking to drive benefits to clients. Our fail-fast approach to evaluate potential options helps optimize the solutions. Involvement by client teams in the process makes it complementary, which is Co-innovation.

About our Innovation Framework

Backed by industry experts, group company collaborations and th   urge to excel in this transformational world, Birlasoft for Innovation re-iterates the importance of blending the right tools, technology and various facets of knowledge to devise a framework that allows ideas to flourish.

Digital Kiosks

State-of-the-art centers of excellence that promote learning, upskilling and re-skilling with comprehensive learning modules and industry connects. Drive of certification to benchmark with best-in-class makes all our employees' market-relevant.

Hackathons

A quarterly cadence of streamlined hackathons that encourage quick thinking and swift problem-solving

techniques on customer stated/un-stated problems. A yearly hackathon to invite wizards from across India to solve problem statements and get a chance to work with our extended teams.

Digital Experience & Co-innovation Centers (Digital Pods)

Inspired by technology, elevated by design thinking, our Co-innovation and Customer Experience Centers transport stakeholders into the future by using skeletal and live on-screen demos of technologies. These technologies will redefine our future, across industries such as Manufacturing, Life Sciences, Energy and Utilities, and BFSI.

Academia Partnerships and Sponsorships

To strengthen the bond between industry and academia, we partner with renowned educational institutions to collaborate and co-create innovative technologies, solutions, and provide sponsorship towards high-impact solutions which hold potential in growth and scale.

#Xccelerate4Startups

A one-of-a-kind start-up event that provides winners direct access to work with our customer base in solving pressing issues within industries and communities of the world. By leveraging lean and agile processes with new-age expertise, we help to revolutionize technology adoption and create more digital natives. This is one of the best platforms for the start-up ecosystem to interact with business leaders from the CK Birla Group Companies.

Innovation is in our DNA

Our mantra is clear. Co-creating with the best minds can support in supplementing and sustaining the next wave of technology growth and empower lives at each corner of the world.

4

Community Initiatives

4.1 Introduction of BforC (Birlasoft for Community)

Community Service at Birlasoft is guided by the Mission statement –
**"Making societies more productive by
helping our customers run their business"**

and driven by the Philosophy –
"Create. Collaborate. Change."

Birlasoft believes in the concept of 'Sustainable Development' and seeks to make a positive and sustainable impact to the society through its social programs. Birlasoft further aims to create Need Based Community Development Model in collaboration with all our stakeholders.

4.2 Thematic area

We believe in giving back to the society where we live, work and play. Keeping this ideology as the foundation of our 'Community Initiatives' program, **Birlasoft has identified two key themes for Improvement and Upliftment of the society we serve,** namely:

- **Environment Sustainability:** Maintaining air, water and soil quality, Conservation of natural resource and Ecological Balance
- **Women & child development:** Education, Health and Hygiene, scholastic development of children from socio –economic backward group, empowerment and enablement of women through education, good health and skills development.

4.3 Key Initiatives

shodhan	An initiative in environment sustainability aims "Zero crop residue burning" in the villages of Punjab and Haryana
e-VIDYA	The objective of the program is "Enabling better tomorrow" and targets technical skill development in women
disha	Focuses on underprivileged children by providing them "Direction towards education"
BForC Birlasoft for Community	The initiative to provide employees platform to participate in social development activities voluntarily

Interventions and Impact

Shodhan

Stubble burning is a common practice in the villages of Punjab and Haryana, the practice is economical and cleans the field completely for sowing of new crops in the month of Oct-Nov. This practice has adverse effects on air quality and thereby health. The fact that the time gap to sow new crop is only 15-20 days make the farmers resort to the burning of crops. To lessen the worries of farmers of Punjab and to lend them a helping hand, Birlasoft initiated a Community Initiative '**Shodhan'.**

Coverage	2017-18	2018-19	2019-20
Villages	2	27	21
Acreage	1,600	24,600	13,400
Beneficiaries	2,083	12,210	27,000

Interventions

- Conducted awareness sessions and behavioral communication campaigns to mobilize the farmers and their families
- Oriented farmers with new farm machineries which obviate the need for stubble burning through demos and trainings
- Provided machineries and its operating cost to the farmers during the harvest cycle to facilitate the process of clearing residue and preparing the field for new crop

Awards

Birlasoft won 'SABERA', Social and Business Enterprise Responsible Award for two consecutive year for SHODHAN

e-VIDYA

In the era of Digitalization, computer literacy is a life skill. Through our community initiative **'e-vidya'** we have pledged to enable better tomorrow for underprivileged children with improved access to computers and digital learning tools, especially for girls. The framework of the program harnesses the overall development of an individual and grooms the student for a new professional journey. Students are given basic computer knowledge through experts and trained on various soft skills.

Target Beneficiaries
Girl students of classes 9th-12th for digital literacy and specialized courses in IT based technology to undergraduate/graduate women for job prospects.

Our Differentiator
The program is managed end-to-end by our employee volunteers' who regularly engage with the students to extend 'Soft Skill Training' and facilitate 'Corporate Exposure'.

Interventions and Impact

- Computer literacy and life skill training
- 63% cleared NIELIT exam as compared to 50% in the past
- Corporate exposure to build in aspirations

Coverage (Noida)	2018-19	2019-20
Student	500	400
Skill	BCC & CCC	BCC,CCC & Tally

SABERA awarded Project e-vidya Certificate of appreciation for the coverage and framework

Project Disha focuses on the education and health of children. The scope of work emphasises infrastructural development of school and co-scholastic development of students. We are also providing scholarship to the students to pursue further studies, teachers training on soft skills and Digital literacy to enhance quality of education.

Project focus on inducing behaviour change through communication, sessions / workshops and creating change agents for the mass awareness. We are targeting students from classes I to VIII for co-scholastic development and senior secondary to graduation for scholarship program.

Location	Coverage 2019-20
Pune	350
Noida	532

Team of volunteer engaged in community initiatives is called BforC. We encourage our employees and their family members to participate in programs and projects

Employee Driven Initiatives

- **Shram Daan:** Helping the underprivileged students in vocational skill development
- **Swachatta Abhiyaan:** Cleanliness drive of school and its vicinity
- **Education for all:** School Kit & Library set up for kids in school
- **Meal Boxes:** Donation of Meal Box Set for the students
- **Daan Utsav Mela:** Teams, Family members, friends, individuals, NGO's etc put up the stall of game/food/handmade stuff, etc and donate the profits to the community in need.
- **Corporate Exposure:** Students from marginalized background were given the exposure of corporate work environment and opportunity to showcase their skills and talents.
- **Secret Santa:** Employees distributed Christmas gifts , woolens, shoes and food to the community in need.
- **Sessions / Workshops:** MH sessions, Skill Development and capacity building

Employees supported 1,200 plus daily wage earners in COVID -19 outbreak

5   Environment Initiatives at Birlasoft

Environment Initiatives at Birlasoft

As responsible global corporate citizens we believe that it is our duty to give our future generations a clean, green and sustainable world. Birlasoft's approach being an environment friendly organization is founded on the belief that the interests of our future generations and the society at large is best served by the efficiency of our business operations. We are committed to protecting the environment along with the active involvement of our employees.

Birlasoft has always been concerned for the environment and committed towards employee's health and safety. We have implemented the best practices and are certified with ISO 14001:2015, in the area of Environmental Management and OHSAS 18001:2007, in the area of occupational health and safety.

Birlasoft's state of the art campus at Pune aims at building an environment that nurtures creativity through effective collaboration. The Birlasoft campus is spread across a sprawling 480,000 sq.ft. that comprises three buildings with a combined seating capacity of 4200+ employees with access to open landscape through the ground floor. The campus design is not only an insignia of Birlasoft's commitment to energy efficiency and sustainable development, but also embodies the spirit of corporate values – boundarylessness, knowledge sharing and team work.

5.1 Birlasoft Green initiatives

Solar Panel Installation

Birlasoft has initiated many projects to cut down energy and water consumption. The latest project undertaken at the Company's Registered & Corporate Office situated in Pune, is to generate energy through solar power plant which has been installed on roof top of cafeteria as well as on terrace at SDB-I.

Highlights of the project

- Solar system is installed on power purchase model.
- System has 397 panels installed with a generation capacity of 125KW.
- Total units generated through this plant will be 180000 units p.a.
- These units will save up to 5% of total consumption of SDB-I
- This installation will reduce the impact of direct sunlight on the roof top of cafeteria. The floors below will be much cooler and employees will get more comfort during summers.
- This system is directly connected to the main LT panel feeder, so we will get benefit in reducing the MSEDCL KWH units.
- These units will have a fixed rate for next 15 years resulting in a saving of ₹.2 lacs p.a. with existing rate of MSEDCL.

Lightings

Birlasoft is always committed and doing its bit towards environmental conservation. Our maximum use of natural lights through our innovative infrastructure is just one of them. Latest addition to our list is introducing LEDs in our lighting systems.

Light Emitting Diodes (LED) are the latest and most exciting technological advancement in the lighting industry. LEDs are small, solid light bulbs which are extremely energy efficient and long lasting. LED lights generate virtually no heat therefore they are cool to the touch and can be left on for hours without incident or consequence if touched.

Birlasoft has undertaken the initiative of replacing its existing CFL/T5 lamps with LED lights in phased manner (we have ensured to use our existing light fixtures with innovative retrofitting). This shall reduce 60% of lighting load vis-à-vis kwh consumption. Furthermore, the replacement of LED lights will significantly reduce the generation of e-waste.

Landscape and Garden

Birlasoft has always believed in restoring the nature which reflects in our continuous efforts and dedication. We have nurtured, protected and sustained our green zone for more than a decade.
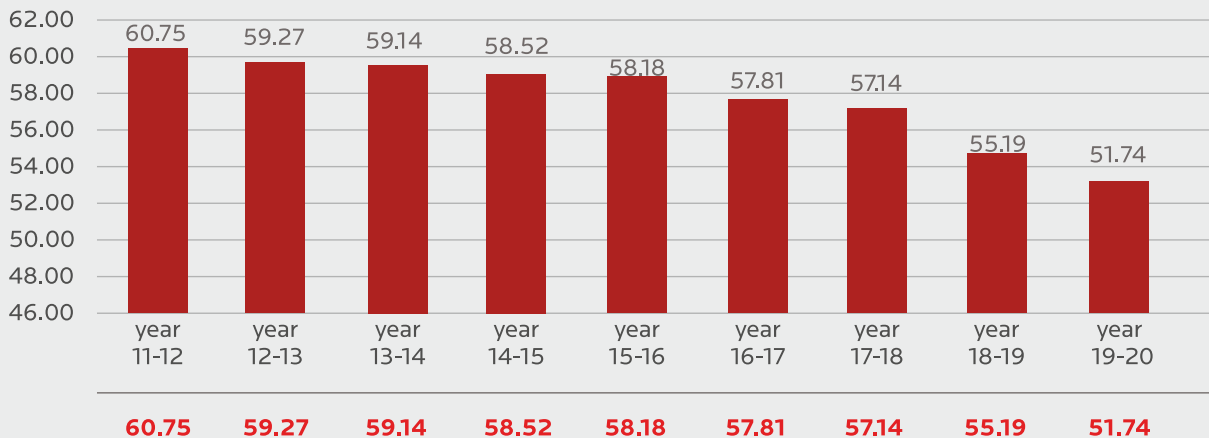
5.2 Power

In the current Indian scenario, conservation of Electrical Energy has extremely been important for two major reasons:
- Scarcity of power, which is resulting in load shedding in almost all states of India, which is not just inconvenient but also adversely impacts the economy
- India is world's third largest carbon emission country primarily because more than 60% of power is generated by using coal

As a responsible corporate citizen Birlasoft has been undertaken various initiatives to reduce the energy consumption that has resulted in reduction of 15% KWH units over the last 9 years even after addition of 2 new facilities on the same source of supply.

KWH Units consumption in Lacs

	year 11-12	year 12-13	year 13-14	year 14-15	year 15-16	year 16-17	year 17-18	year 18-19	year 19-20
KWH Units consumption in Lacs	60.75	59.27	59.14	58.52	58.18	57.81	57.14	55.19	51.74

■ KWH Units consumption in Lacs

Power consumption is primarily required for three major areas namely:
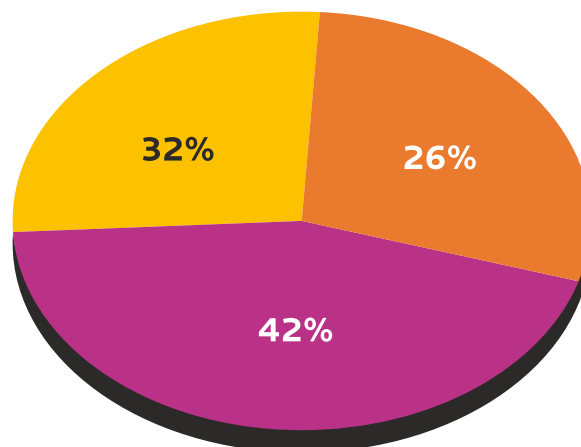- Computers and Servers
- Air conditioning
- Utility

Change in UPS System for Power Efficiency

Birlasoft has invested around ₹52.5 lacs for changing monolithic UPS to a new technology modular UPS. This will give us better power efficiency thereby reducing the UPS power consumption by around 10% per annum.

Power consumption distribution

■ UPS   ■ HVAC   ■ UTILITY

- 32%
- 26%
- 42%

5.3 Projects undertaken for improved efficiency and efficient use of energy

Domain Migration

Domain Migration of applications on KPIT domain was carried out resulting in all corporate applications to migrate to single Birlasoft domain.

Domain migration was categorized into 4 streams viz.
- Birlasoft Corporate Applications
- Business Owned Applications
- Data Centers and N/W Infrastructure migrations and
- User computing device migrations

Overall corporate environment consisted of 200+ Application servers, 15+ databases running on 400+ virtual servers, 25+ physical servers spread across multiple datacenter (On premise and on cloud). Each of these were running on various Operating Systems.

Here are some benefits to Domain Migration

Cost Savings
The best thing about domain migration on single domain is that it saves money for years to come. Not only it improves operations at facility, making day-to-day business more profitable, but also saves money on extra hardware. Consolidating on one domain helps spend less on servers and lower licensing costs.

Ease of Management
IT is just easier to manage when on single domain. All directory tasks and infrastructure is on one single domain, meaning that all of object management, software updates— everything takes less time.

Higher Security
Data is more secured, since administrators can set rules of access that are maintained across all departments and across all geographies. Granting and removal of access to employees is much easier on one domain.

Reduction in Carbon Footprint
We were one of the early adopters of PaaS and cloud native development, and during the testing time of the Pandemic COVID-19 Lock down we were able to scale up and spin additional application over the cloud and enable remote working at the earliest. We could leverage the value of what we had invested and envisaged in 2017 though for a different reason. The PaaS that we invested was, Pivotal Cloud Foundry (PCF). PCF enables developers to create and deliver software more quickly by automatically deploying application code to an elastic, scalable, and fully managed cloud infrastructure platform. By deploying applications on cloud foundry, it helps decrease time to production, increase productivity, efficiency of IT operations and hardware utilization. This helps to reduce the production time to large extent and saves cost and resource utilization.

We also invested on SAP HANA platform for the ERP, all transactional and analytical data can live in a single database. This means the access to the exact data is available in real time. This helps increase in the response time to users thereby increasing efficiency and overall performance of system.

SAP HANA is an in-memory, column-oriented, relational database management system. Its primary function as a database server is to store and retrieve data as requested by the applications. In addition, it performs advanced analytics (predictive analytics, spatial data processing, text analytics, text search, streaming analytics, graph data processing) and includes Extract, Transform, Load (ETL) capabilities as well as an application server. As our result not only did operational efficiency was better, we were able to reduce the usage of Power. Another important aspect is since these were platform solutions, we were able to add 3500+ users without adding any hardware in the data center, which means given the same platform we were able to acquire more users to the same. This was part of the one organization one system program.

While the one organization one system program explicitly focused on employee experience the intrinsic focus was to harmonize different application and tools that existed in the Company before the merger. So not only did PaaS help us, we have consolidated few applications on SaaS too therefore reducing the footprint in the data center.

5.4 Air Conditioning

Consumes almost 35% of power, which is the highest compared to any other resources. Major investments were carried out for adopting energy efficient VRF technology. The VRF technology, which facilitates local cooling and controls, resulted in considerable savings vis-a-vis a conventional central AC system.

Apart from the basic infrastructure various operational initiatives were undertaken to reduce the consumption such as:

- Grouping of ACs w.r.t project functioning schedules
- Closely monitoring the AC system during various seasons, by operating the system w.r.t ambient temperature which resulted in approx. 30% reduction in electrical consumption.
- Optimized on fresh air intake which reduces heat load on air conditioning system.
- Installed AC remote controls in every cabin near the exit door to reduce unwanted usage of AC.

5.5 Lighting

Apart from using natural lighting, steps were undertaken to reduce power requirement for artificial lighting. These are:

- Motion sensors installed to automatically switch OFF lights whenever not in use.
- Solar street lights installed along the perimeter road.
- Timers installed to control switching on/off of street light.
- LED lighting has been installed in the building whereby the existing wattage of 56 for a normal T-5 lamp was reduced to 18/20W of LED giving the same results however, reducing 75% lighting load vis-à-vis kwh consumption.
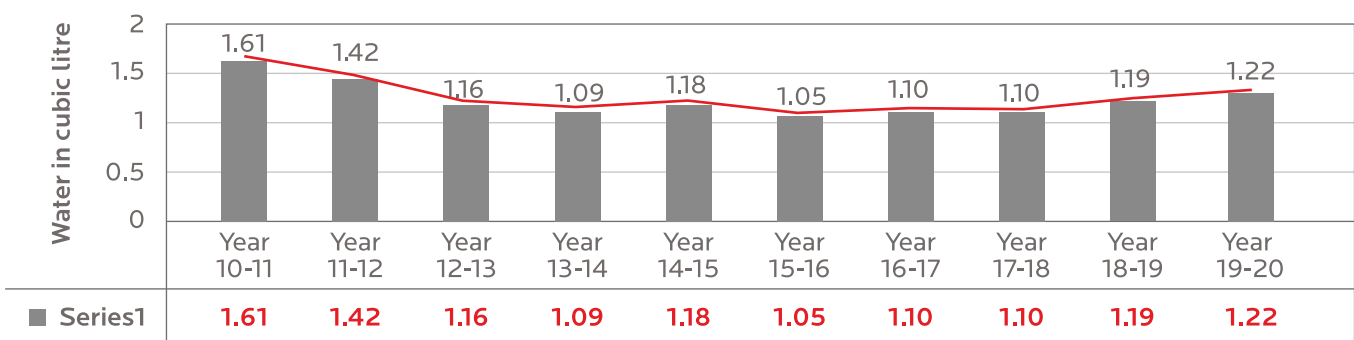
5.6 Water

Water is required and used only for domestic purpose but is still the second largest natural resource consumed by Birlasoft. Therefore, investments were made to reduce fresh water consumption by setting up a Sewage Treatment Plant (STP). 60% of the water being used at the Company's Registered & Corporate Office situated in Pune gets treated through STP and is recycled & used for gardening purposes. Apart from recycling of water, several other initiatives are also undertaken to reduce consumption of fresh water such as:

• Installing drip irrigation system for internal gardens.
• Maintaining optimum pressure within water lines to reduce water wastage.
• Regulating water flow at all the outlets of all the toilets.
• Arresting leakages in pipelines and taps.
• Engaging and educating employees through awareness drives.
• Provision of hot water to the gymnasium and cafeteria kitchen using solar energy.

The above initiatives that have been running for the last 10 years have been resulting overall 25% reduction in water consumption. The following table captures the per capita water consumption:

Monthly water consumption/person

	Year 10-11	Year 11-12	Year 12-13	Year 13-14	Year 14-15	Year 15-16	Year 16-17	Year 17-18	Year 18-19	Year 19-20
Series1	1.61	1.42	1.16	1.09	1.18	1.05	1.10	1.10	1.19	1.22

5.7 Waste Management: At Birlasoft Campus

Being an IT Company, there are no significant primary emissions or process wastes. Due to the nature of our business, waste generation is limited and restricted primarily to Municipal Solid Waste (MSW). Other wastes include e-waste and a small proportion of hazardous waste like waste lube oil, etc. Our waste management practice seeks to reduce the environmental impact of this limited waste to the maximum extent possible by reduction in generation and segregation at source.

Food Waste in Kg per Month
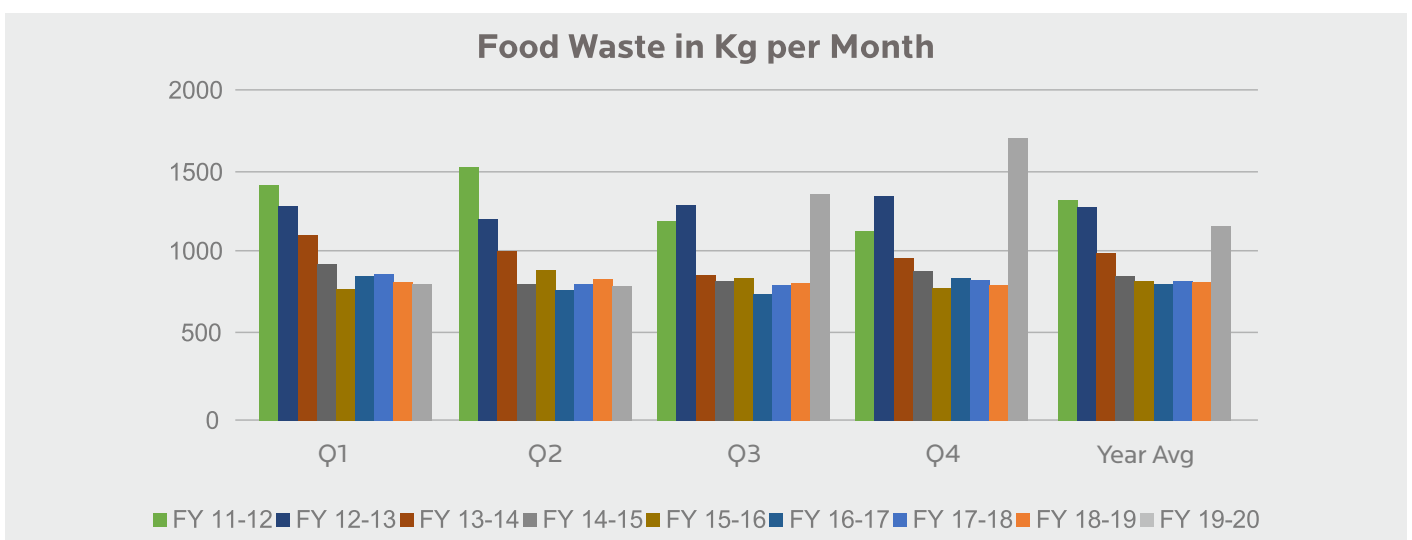
We continuously encourage the employees to reduce food waste through awareness posters, daily food waste generation communication. Daily food waste is monitored and the quantity being wasted is published to all employees on a daily basis.

E-waste Management

Being an IT company, Birlasoft generates e-waste like laptops, computers, monitors, servers, etc. Apart from this we also generate electrical waste like wires switches, lamps etc. Birlasoft's waste management procedure is the defining guideline for handling all types of waste and complying with the Government and Maharashtra Pollution Control Board (MPCB) norms.

In FY 2019-20, E-waste has generated and disposed it through government authorized handlers / recyclers.

Hazardous Waste

Hazardous waste is disposed through authorized agencies as per the guidelines of MoEF- (Ministry of Environment and Forests). Additionally, all the used printer cartridges are sent back to the manufacturer under "Planet HP Take Back Program" to ensure proper recycling.

5.8 Environment Awareness Campaigns

An e-learning module on environmental awareness has been made available on the employee portal. The module is designed to create awareness on key environmental issues, and initiatives undertaken by the organization and the employee role in these initiatives. Various environmental awareness campaigns are planned and carried out throughout the year for employee engagement.

Occupational Health and Safety
Birlasoft has always considered its employees as the most valuable asset of the organization. Towards this end, Birlasoft constantly undertakes initiatives to ensure the safety and well-being of its employees at workplace.

Employee Transport and Safety
Birlasoft strongly believes that the safety and security of our employees are intrinsic to its core values. One of the major focus areas from employee safety perspective is commuting to and from office in individual transport or company provided transport.

Some of the safety measures taken are:

- Mandatory Alcohol Tests are carried out for all drivers at the time of departures.

- Annual Medical check-up mandatory for all cab drivers.

- Security escorts provided for lady employees traveling between 20:00 hrs. to 06:00 hrs. and having last drop or 1st pick-up.

- Periodic training sessions planned for all cab drivers on safety, first aid, traffic discipline etc.

- Incident reporting, root cause analysis, CAPA for all major and minor incidents.

- Do's and Dont's, Emergency Contact Helpline mandatory on all the vehicles.

- Only cabs up to 5 years vintage are used for employee commute.

- Mandatory use of seat belts and helmets within the premises.

- Yoga Sessions for Cab Drivers to ensure they live a stress free while driving.

5.9 Employee Awareness Drive @ Birlasoft

Birlasoft engages its employee and third-party vendors in various EOHS initiatives held in the organization. The hazard identification and risk assessment is carried out in consultation with relevant stakeholders, employees and third party vendors. The implemented controls are monitored and evaluated regularly to ensure employee safety all the time at workplace.

Few of the activities performed towards Occupational Health and Employee Safety

- Floor meeting by Nutritionist
- OHSAS awareness Floor Walks
- Periodic Evacuation Drills
- Quarterly EOHS Newsletters
- E-learning module on EOHS for all employees.

Birlasoft organizes seminars and health related programs throughout the year. Some of the events which were observed are as follows:

- Let's pledge clean air this Earth day observed in April 2019.
- Green Earth Day celebrated in April 2019.
- "World Environment Day"- Plant Donation Drive done in June 2019.
- Health check-up camp organized in July 2019.
- Blogging contest/crossword talent program organized in October 2019.
- Euphoria: Birlasoft Got Talent 2019 program organized in November 2019.
- "Zumbathon"dance on the tune of fitness was arranged in January 2020.
- Environmental Awareness kiosk set up in January 2020.
- International women's day celebrated in March 2020.

Employee Engagement at Birlasoft

Employee Engagement at Birlasoft

6.1 Employee Engagement

Birlasoft employee engagement practices is the behavioural demonstration of our key values and culture. We believe engaged employees are passionately involved and shares the stronger bond with the organization. We promote and assist physical, mental and social well-being of the employees. We engage them in team building activities, ensure occupational health and safety, provide volunteering opportunities for community services, encourage participations in cultural events, celebrations, etc. Understanding the fact "One size doesn't fit all", we have gamut of engagement activities and offerings for our people. Birlasoft have tie-ups with best in class hospitals to ensure timely care to our employees and their family members. Providing conducive work environment is our top priority and going beyond the scores and continuously innovating and redesigning the framework for experiential learning is what matters the most to us. We create happitude among our employees.

6.2 BCare

Birlasoft supports physical, mental, financial and social wellness for the employees well-being at Birlasoft, works under the brand of BCare.

The gamut of initiatives taken up on holistic wellness:

- Workshops on Mindfulness
- Webinars/ sessions on mental well-being of employees and their family members in COVID outbreak
- Employee Assistance Program
- Occupational Health Center
- Fitness challenges and guidance
- Gyms and recreation area
- Indoor and outdoor games
- Wellness consultations through doctors
- Lifestyle coaching
- Provision of healthy food in cafeteria
- Periodical Health Assessments
- Ergonomic support to expecting mother and physically challenged
- Menstruation Hygiene support and training

6.3 BEngaged

Birlasoft provides engaging and innovative activities to bring in vibrancy and positive energy in work. Fun-at-the-workplace at Birlasoft works under the brand of "BEngaged". To bring in the culture of vibrancy in the organization and motivate the employees, activities undertaken are:

- **Talent tribes:** Birlasoft got talent is the yearly celebration which provides platform to the employees to showcase talent and interest, employees wholeheartedly participated in the event and exhibited their talent in singing, dancing, theatre, music etc.
- **Celebrations:** Various cultural, patriotic, special days are celebrated with employees to bring in the celebrations and joy amongst the employees viz Republic and Independence Day, Father's Day, Mother's Day, Women's Day, Earth Day etc. The activities on these occasions were planned to bring in lot of enthusiasm and positive energy amongst the employees, we also involved family members in these events.
- **Games:** To encourage sportsmanship one-minute games and competitions, etc. were organized for the employees throughout the year.
- **Family Engagement:** We encourage family members of the employees to participate in the activities specially designed for the purpose like Kids Day, twinning with mother, etc.
- **Team Building Activities:** Team cohesiveness can be strengthen through informal connects out of workplace. Teams go on offsite and outings to spend some leisure time and bonding. Teams also conducts inhouse fun cum learning activities based on need assessment.

6.4 Talent Acquisition Group (TAG)

Birlasoft continues to deliver across geographies, supplemented by our focused hiring teams in India and overseas that manage the Company's talent acquisition strategy. Our hiring involves recruiting the right talent in line with our core values and key behavioral attributes.

We believe in being an equal opportunity employer and our hiring process, at all levels, is based strictly on merit. Our hiring teams always look at every resource with an intent of matching them with a role that fits them well. In case improvements are needed in potential hires, internal training and development programs are in place.

There has been some significant realignment which was initiated this year in TAG, to bring in more synergies to help augment the business growth, pertinent of those being-

1   **TAG Centralization:** The TAG team centralized under one umbrella with a new team structure. Harmonized processes and Integrated ATS "Taleo" implemented across Geos for hiring purposes. This move was quite significant in nature and it helped serve the purpose of bringing in a Unified and Uniform sets of Processes, Application Tracking System (ATS) resulting in significant cost optimization and process efficiencies.

2   **Geo based Hiring:** Geos are split in to 3 – TAG India and RoW (Rest of the World), TAG USA Geographies. This was primarily done in order to bring in more rigor and focus on the hiring for respective regions. Hiring Team got strengthened with local specialized resources hired possessing linguistic expertise and sensitization to local customs and traditions.

3   **Predictability and Operational Efficiency:** Best Estimate model was introduced by the corporate operations group through which the recruitment effort was brought in line with revenue prediction by the business unit. The systems and processes were upgraded to bring in the rigor and effectiveness of business alignment. To best utilize the internal

resources, we have evolved our resourcing function through several processes and systems that include job rotation, reskilling and career planning etc. This ensures maximum opportunity to our employees to adapt to newer roles and make advances in their career as per their interest and performance. Our hiring is done through a number of sources, depending on the criticality of the requirement.

4   **Global TAG Reports and system enhancements:** Enabled through digital interventions and system enhancements for real time tracking and status update. Set up a robust reporting system which helped bring in more transparency.

5   **Launch of integrated referral program named 'FindRite' for India and RoW.**

  ✓ Referral Program Revamped with more engaging experience to both internal & external audience

  ✓ Introduced more user-friendly system process to refer someone

  ✓ Planning to integrate US Referrals under the program.

6.   **TAG Initiatives for improved Efficiency:** Introduced a series of initiatives to improvise few basic aspects in order to be an "Employer of Choice". Moving towards having a better connect with the external audience through various platforms.

7.   **Escalation mechanism** built in and let known to all for speedier and faster issue resolution.

8.   **The Recruitment channel** had a balanced mix of laterals versus campus recruits which forms an important parameter of our recruitment strategy.

With our vast array of career opportunities and development programs, we help our new recruits and interns discover their potential and develop business knowledge and technological expertise.

6.5 Rewards & Recognition

We at Birlasoft strongly believe in the culture of appreciation and recognition. Birlasoft has a formal Recognition Program called STAR (Special Thanks and Recognition) with the tagline 'Keep Shinning', which is designed to recognize and reward individual or team whose performance is outstanding and who contribute to the overall success of the organization. We recognize and reward associates individually and in groups who accomplish various milestones, deliverables, targets beyond their normal work expectations and also live up to core values of Birlasoft. STAR is a performance driven program which empowers managers to recognize employees when required. Through this we recognize individual and team contributions in various areas such as great VOC form customers internal/ external, exceptional contribution, going above and beyond the call of duty. The key highlight of STAR is making instant recognition possible with no hierarchy for approvals kept in place.

Our Priorities Going Forward

- Revenue Growth
  - Increasing Cross sell
  - Improvement in percentage of Annuity Revenue
  - Increase traction from Large deals
- Explore and exploit our relationship channels such as with the ISV and OEMs like SAP, Oracle, Microsoft, Salesforce etc.
- Strengthen Talent in Service lines, Delivery and Sales
- Continue to focus on Operational Rigor
- Continued focus on Cost saving levers, especially due to disruption caused on account of COVID 19

birlasoft

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