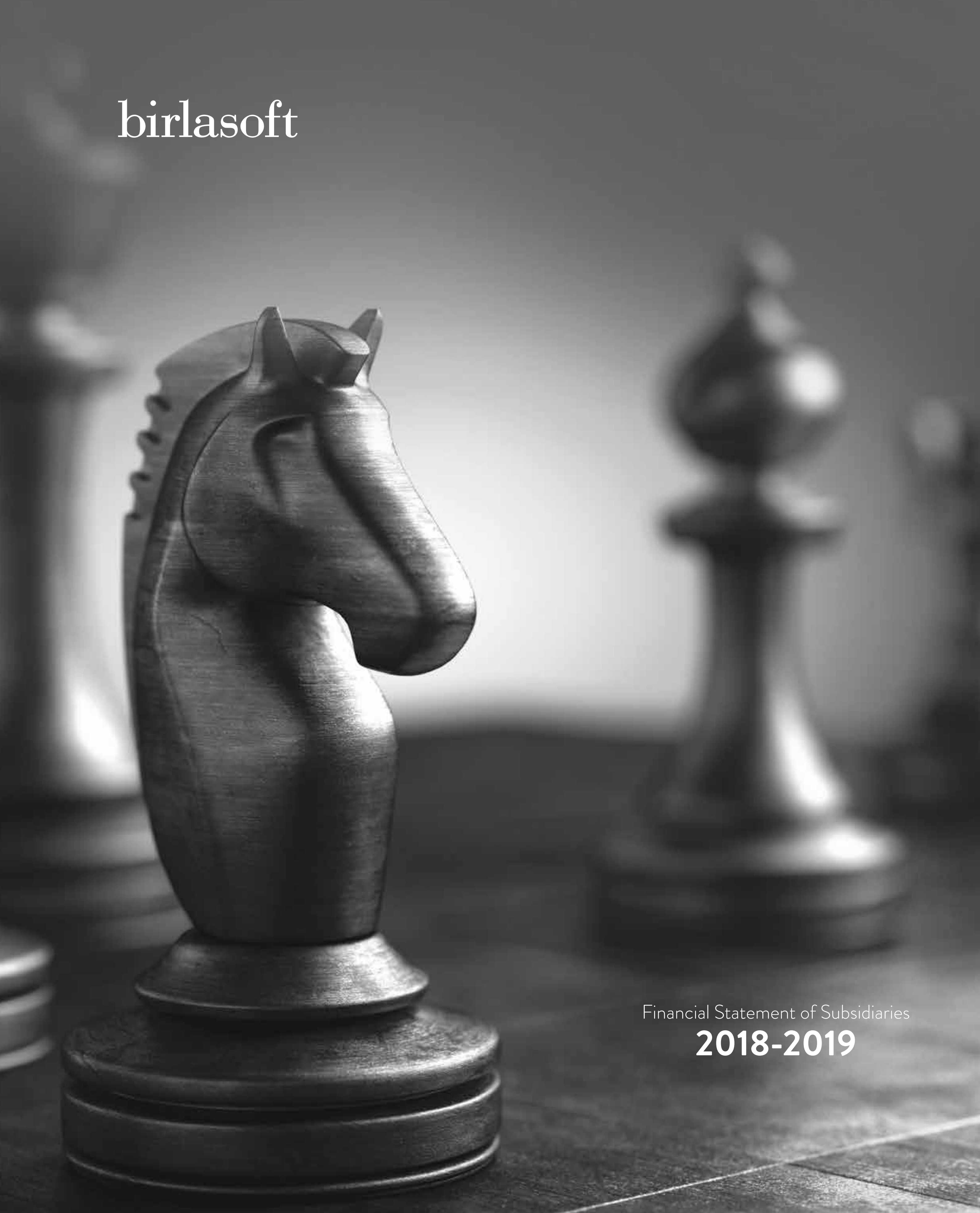

birlasoft

Financial Statement of Subsidiaries
2018-2019

Contents

Birlasoft (UK) Limited

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

Strategic Report

FOR THE YEAR ENDED 31 MARCH 2019
The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS

The revenue for the year amounted to £9,786,925 (2018: £8,537,076).

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

There is an increase in the revenue due to increase in projects with existing customers and addition of new business. There is also an increase in revenue due to providing services to Birlasoft Swiss entity to execute their projects. The management are aware of the market conditions and have worked on strategies and plans for the upcoming year, undertaken branding initiative and are looking to forge strategic business partnerships as well. The company continued its focus on offshore model of delivery and provides 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:

S S Kejriwal - Director

25 April 2019

Report of the Directors

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

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 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

C K Birla

Mrs A Birla

S S Kejriwal

A K Ladha

A Lahiri

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:

S S Kejriwal - Director

25 April 2019

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 2019 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 2019 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.

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.

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.

Opinion 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 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.

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

25 April 2019

Income Statement

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
TURNOVER	3	9,786,925	8,537,076
Cost of sales		7,402,501	6,693,853
GROSS PROFIT		2,384,424	1,843,223
Administrative expenses		1,448,671	1,542,452
		935,753	300,771
Other operating income		4,395	183,713
OPERATING PROFIT	5	940,148	484,484
Interest receivable and similar income		2,851	2,329
		942,999	486,813
Interest payable and similar expenses	6	13,334	10,606
PROFIT BEFORE TAXATION		929,665	476,207
Tax on profit	7	182,072	91,166
PROFIT FOR THE FINANCIAL YEAR		747,593	385,041

The notes form part of these financial statements

Other Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		747,593	385,041
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		747,593	385,041

The notes form part of these financial statements

Balance Sheet

31 MARCH 2019

		2019		2018	
	Notes	**£**	**£**	**£**	**£**
FIXED ASSETS					
Tangible assets	8		10,438		14,591
Investments	9		19,863		19,863
			30,301		34,454
CURRENT ASSETS					
Debtors	10	2,482,552		2,885,536	
Cash at bank and in hand		1,199,574		1,126,863	
		3,682,126		4,012,399	
CREDITORS					
Amounts falling due within one year	11	1,535,963		2,617,982	
NET CURRENT ASSETS			2,146,163		1,394,417
TOTAL ASSETS LESS CURRENT LIABILITIES			2,176,464		1,428,871
CAPITAL AND RESERVES					
Called up share capital	13		150,000		150,000
Retained earnings	14		2,026,464		1,278,871
SHAREHOLDERS' FUNDS			2,176,464		1,428,871

The financial statements were authorised for issue by the Board of Directors on 25 April 2019 and were signed on its behalf by:

S S Kejriwal - Director

The notes form part of these financial statements

Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital	Retained earnings	Total equity
	£	£	£
Balance at 1 April 2017	150,000	893,830	1,043,830
Changes in equity			
Total comprehensive income	-	385,041	385,041
Balance at 31 March 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

The notes form part of these financial statements

Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	411,510	(261,368)
Interest paid		(13,334)	(10,606)
Tax paid		(91,166)	(65,601)
Net cash from operating activities		307,010	(337,575)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(15,239)
Interest received		2,851	2,329
Net cash from investing activities		2,851	(12,910)
Increase/(decrease) in cash and cash equivalents		309,861	(350,485)
Cash and cash equivalents at beginning of year	2	889,713	1,240,198
Cash and cash equivalents at end of year	2	1,199,574	889,713

The notes form part of these financial statements

Notes to the Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2019

		2019 £	2018 £
1.	**RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**		
	Profit before taxation	929,665	476,207
	Depreciation charges	4,153	3,208
	Amounts owed to group undertakings	(782,215)	196,166
	Finance costs	13,334	10,606
	Finance income	(2,851)	(2,329)
		162,086	683,858
	Decrease/(increase) in trade and other debtors	342,882	(888,164)
	Decrease in trade and other creditors	(93,458)	(57,062)
	Cash generated from operations	411,510	(261,368)
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 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
	Year ended 31 March 2018		
		31/3/18 £	**1/4/17 £**
	Cash and cash equivalents	1,126,863	1,240,198
	Bank overdrafts	(237,150)	-
		889,713	1,240,198

The notes form part of these financial statements

Notes to the Financial Statements

FOR THE YEAR ENDED 31 MARCH 2019

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.

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.

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.

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.

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.

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:

	2019 £	2018 £
United Kingdom	5,463,180	5,293,330
Rest of the world	4,323,745	3,243,746
	9,786,925	8,537,076

4. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	1,772,441	1,670,229
Social security costs	194,885	194,863
Other pension costs	20,539	14,561
	1,987,865	1,879,653

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

	2019 £	2018 £
Administrative staff	7	10
Consultants	18	15
	25	25
Directors' remuneration	50,000	50,000

5. OPERATING PROFIT

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

	2019 £	2018 £
Other operating leases	46,840	45,566
Depreciation - owned assets	4,153	3,208
Auditors' remuneration	12,000	12,560
Foreign exchange differences	(104,454)	74,475

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £	2018 £
Bank interest	13,334	10,606

7. TAXATION

Analysis of the tax charge

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

	2019 £	2018 £
Analysis of the tax charge	46,840	45,566
The tax charge on the profit for the year was as follows:		
Current tax:		
UK corporation tax	182,072	91,166
Tax on profit	182,072	91,166

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2018 and 31 March 2019	47,542
DEPRECIATION	
At 1 April 2018	32,951
Charge for year	4,153
At 31 March 2019	37,104
NET BOOK VALUE	
At 31 March 2019	10,438
At 31 March 2018	14,591

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2018 and 31 March 2019	19,863
NET BOOK VALUE	
At 31 March 2019	19,863
At 31 March 2018	19,863

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	724,117	1,551,700
Amounts owed by group undertakings	904,297	964,399
Other debtors	24,430	8,122
Accrued income	823,884	360,079
Prepayments	5,824	1,236
	2,482,552	2,885,536

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts (see note 12)	-	237,150
Trade creditors	1,416	6,648
Amounts owed to group undertakings	877,966	1,720,283
Tax	182,072	91,166
Social security and other taxes	65,273	80,296
VAT	30,092	130,513
Accrued expenses	379,144	351,926
	1,535,963	2,617,982

12. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	237,150

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal Value	2019 £	2018 £
150,000	Ordinary	£1.00	150,000	150,000

14. RESERVES

	Retained earnings £
At 1 April 2018	1,278,871
Profit for the year	747,593
At 31 March 2019	2,026,464

15. RELATED PARTY DISCLOSURES

During the year ended 31 March 2019, the company was charged £1,599,710 (2018:£2,134,070) 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 2019, the company was charged £2,507,780 (2018:£2,169,182) 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 2019, the company charged £3,323,367 (2018: £2,891,652) 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 £7,54,364 (2018: £1,684,382).

The company charged Birlasoft Limited £7,838 (2018: £3,916) for providing the services of its employees to execute contracts of Birlasoft India. The company was also charged £64,559 (2018: £ 39,817) by Birlasoft Limited, for providing the services of its employees to execute contracts of Birlasoft. At the year end, the company was owed £8,710 (2018: £8,833) by Birlasoft Germany, the 100% subsidiary of Birlasoft UK. The company charged Birlasoft Inc. £280,452 (2018: £370,863) for providing the services of its employees to execute contracts of Birlasoft Inc The company was also charged £64,681 (2018: £Nil) by Birlasoft Inc for execution of projects of the company.

During the year ended 31 March 2019, the company charged Birlasoft Malaysia, a subsidiary of Birlasoft Limited, £36,402 (2018: £Nil) for providing the services to the employees to execute contracts of Birlasoft Limited.

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 National Engineering Industries Ltd (India) which is incorporated in India. Copies of that company's financial statements are available from Birla Building, 11th Floor, 9/1 R.N. Mukherjee Road, Calcutta 700 001.

Trading and Profit and Loss Account

FOR THE YEAR ENDED 31 MARCH 2019

	2019		2018	
	£	£	£	£
Sales		9,786,925		8,537,076
Cost of sales				
Purchases	4,172,171		4,303,252	
Wages	831,508		658,407	
Social security	77,461		58,932	
Pensions	5,920		3,201	
Other direct costs	199,167		173,137	
Sub contractors	2,116,274		1,496,924	
		7,402,501		6,693,853
GROSS PROFIT		2,384,424		1,843,223
Other income				
Sundry receipts	4,395		183,713	
Deposit account interest	2,851		2,329	
		7,246		186,042
		2,391,670		2,029,265

	2019		2018	
	£	£	£	£
Expenditure				
Directors' salaries	50,000		50,000	
Directors' social security	5,737		5,773	
Wages	890,933		961,822	
Social security	111,687		130,158	
Pensions	14,619		11,360	
Rent	46,840		45,566	
Insurance	3,965		1,200	
Telephone	36,656		42,522	
Post and stationery	3,686		2,986	
Travelling	220,366		105,312	
Repairs and renewals	598		-	
Staff Welfare	17,886		7,325	
Medical insurance	5,311		6,574	
Sundry expenses	1		(1)	
ESOP Expenses	13,028		-	
Subscriptions	3		688	
Seminars and conference	8,291		-	
Staff recruitment	8,100		25,730	
Legal fees	19,328		30,550	
Auditors' remuneration	12,000		12,560	
Foreign exchange differences	(104,454)		74,475	
Advertising	52,068		5,962	
Entertainment	25,030		16,346	
		1,441,679		1,536,908
		949,991		492,357
Finance costs				
Bank charges	2,839		2,336	
Bank interest	13,334		10,606	
		16,173		12,942
Depreciation				
Computer equipment		4,153		3,208
NET PROFIT		929,665		476,207

This page does not form part of the statutory financial statements

KPIT Infosystems Limited

Registered Office: Ground Floor, The Annex, Hurst Grove, Sandford Lane, Hurst RG 100 SQ

Report of the Directors

The directors present their report with the financial statements of the company for the period 18 April 2018 to 31 March 2019.

Incorporation

The company was incorporated on 18 April 2018.

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

The directors who have held office during the period from 18 April 2018 to the date of this report are as follows:

K P Patil - appointed 18 April 2018 - resigned 15 January 2019

P Sathe - appointed 18 April 2018 - resigned 15 January 2019

R Gupta - appointed 15 January 2019

A Lahiri - appointed 15 January 2019

D Kapoor - appointed 15 January 2019

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

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

R Gupta - Director

May 10, 2019

Report of the Independent Auditors

To the Members of
KPIT Infosystems Limited

Opinion

We have audited the financial statements of KPIT Infosystems Limited (the 'company') for the period ended 31 March 2019 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 2019 and of its profit for the period 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.

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.

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.

Opinion 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

Income Statement

For the Period 18 April 2018 to 31 March 2019

	Notes	£
TURNOVER	3	3,555,237
Cost of sales		3,071,763
GROSS PROFIT		483,474
Administrative expenses		249,195
		234,279
Other operating income		283,480
OPERATING PROFIT	5	517,759
Interest payable and similar expenses	6	114,692
PROFIT BEFORE TAXATION		403,067
Tax on profit	7	76,676
PROFIT FOR THE FINANCIAL PERIOD		326,391

The notes form part of these financial statements

Balance Sheet

31 March 2019

	Notes	£	£
FIXED ASSETS			
Tangible assets	8		1,947
Investments	9		8,027,329
			8,029,276
CURRENT ASSETS			
Debtors	10	8,395,879	
Cash at bank		839,315	
		9,235,194	
CREDITORS			
Amounts falling due within one year	11	5,691,904	
NET CURRENT ASSETS			**3,543,290**
TOTAL ASSETS LESS CURRENT LIABILITIES			11,572,566
CREDITORS			
Amounts falling due after more than one year	12		(10,745,578)
PROVISIONS FOR LIABILITIES	13		(597)
NET ASSETS			**826,391**
CAPITAL AND RESERVES			
Called up share capital	14		500,000
Retained earnings	15		326,391
SHAREHOLDERS' FUNDS			**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 on May 10, 2019 and were signed on its behalf by:

R Gupta
Director

The notes form part of these financial statements

Notes to the Financial Statements

For the Period 18 April 2018 to 31 March 2019

1. STATUTORY INFORMATION

KPIT Infosystems 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.

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.

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.

Taxation

Taxation for the period 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 period 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 profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	£
United Kingdom	2,527,744
Europe	770,778
United States of America	256,715
	3,555,237

4. EMPLOYEES

	£
Wages and salaries	682,220
Social security costs	68,338
	750,558
The average number of employees during the period was as follows:	
IT support	20
Administration	4
	24

5. OPERATING PROFIT

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

	£
Depreciation - owned assets	776
Auditors' remuneration	5,500
Foreign exchange differences	(283,480)

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	£
Interest payable	**114,692**

7. TAXATION

Analysis of the tax charge

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

	£
Current tax:	
UK corporation tax	76,676
Tax on profit	**76,676**

8. TANGIBLE FIXED ASSETS

Plant and machinery etc.

	£
Cost	
At 18 April 2018	11,596
Additions	284
At 31 March 2019	**11,880**
Depreciation	
At 18 April 2018	9,157
Charge for period	776
At 31 March 2019	9,933
Net Book Value	
At 31 March 2019	1,947
At 17 April 2018	2,439

9. FIXED ASSET INVESTMENTS

Shares in group undertakings

	£
Cost	
Additions	8,027,329
At 31 March 2019	**8,027,329**
Net Book Value	
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:

KPIT Solutions GmbH

Registered office: Detmolder Str. 235 - 33605 Bielefeld

Nature of business: IT services

	%
Class of shares:	holding
Ordinary	100.00
	2019
	£
Aggregate capital and reserves	284,831
Loss for the period	(328,827)

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

The financial statements contain information about KPIT Infosystems Limited (UK) as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 399-402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the group.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade debtors	4,706,303
Amounts owed by group undertakings	2,768,342
Other debtors	921,234
	8,395,879

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Amounts owed to group undertakings	4,063,912
Taxation and social security	407,240
Other creditors	1,220,752
	5,691,904

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

	£
Amounts owed to group undertakings	10,745,578

KPIT Infosystems USA have given a loan to KPIT Infosystems UK on 4 December 2018, for its investment capital requirements. KPIT Infosystems UK shall be liable to pay interest at 6 months LIBOR on the amount due within 15 days of end of each financial year of Biñasoft Limited India. KPIT Infosystems UK 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 £9,131,650.

KPIT Technologies France have given a loan to KPIT Infosystems UK on 17 December 2018, for its working capital requirements. KPIT Infosystems UK shall be liable to pay interest at 6 months LIBOR on the amount due within 15 days of end of each financial year of Biñasoft Limited India. KPIT Infosystems UK 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 £1,728,621.

13. PROVISIONS FOR LIABILITIES

	£
Deferred tax	597
	Deferred tax
	£
Provided during period	597
Balance at 31 March 2019	**597**

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal value	£
500,000	Ordinary	1	500,000

15. RESERVES

	Retained earnings
	£
Profit for the period	326,391
At 31 March 2019	**326,391**

16. ULTIMATE CONTROLLING PARTY

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

Biñasoft 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 Biñasoft Limited India, Plot 35 & 36, Rajiv Gandhi InfoTech Park, Hinjewadi, Pune - 411 057, India.

17. RELATED PARTY DISCLOSURES

In accordance with Financial Reporting Standard No. 102.33.1A, any transactions with other group undertakings other than those described in (Note. 12) have not been disclosed in these financial statements.

TRADING AND PROFIT AND LOSS ACCOUNT

For the Period 18 April 2018 to 31 March 2019

	£	£
Sales		3,555,237
Cost of sales		
Purchases	1,911,612	
Wages	577,243	
Social security	58,907	
Sub contractors	524,001	
		3,071,763
GROSS PROFIT		483,474
Other income		
Exchange gains		283,480
		766,954
Expenditure		
Wages	104,977	
Social security	9,431	
Rent	13,923	
Office expenses	55	
Travelling	68,393	
Staff welfare	1,668	
Recruitment expenses	6,992	
Sundry expenses	1,206	
Accountancy	2,650	
Legal fees	33,544	
Auditors' remuneration	5,500	
		248,339
		518,615
Finance costs		
Bank charges	80	
Interest payable	114,692	
		114,772
		403,843
Depreciation		
Fixtures and fittings		776
NET PROFIT		**403,067**

This page does not form part of the statutory financial statements.

KPIT Technologies France

Registered Office: : 10 Avenue Franklin D Roosevelt, 75008 Paris, France

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present their Thirteenth report on the operations of the Company together with the audited accounts for the financial year ended March 31, 2019.

Financial Results

Particulars	**2018– 19**	2017– 18
	(EURO)	(EURO)
Total Income	3,843,283	3,395,738
Net Profit / (Loss) for the year	367,672	(217,276)

Operations

During the year under review, the total income of the Company decreased by 13.17% but due to decrease in operational cost the Company earned profits worth EURO 367,672.

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
KPIT Technologies France

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 9, 2019

Statutory Auditors' report on financial statements

For the year ended 31 March 2019

Dear Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annueal general meeting, we have audited the accompanying financial statements of KPIT Technologies France S.A.S. for the year ended 31 March 2019.

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 2019 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's 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 15 April 2018 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 deontologie) for statutory auditors.

Justification of Assessments

In accordance with the requirements of Articles L823-9 and R.823-7 of 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.

These matters were addressed in the context of our audit of the financial statements as a whole, 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 arid 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 President.

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 L823-10-1 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, 9 May 2019

French original signed by Frederic Noiret

Présenté en Euros
Edité le 08/05/2019

Balance Sheet - Assets

Période du 01/04/2018 au 31/03/2019

	Current year 31/03/2019 (12 months)			Past year 31/03/2018 (12 months)
ASSETS	**Brut**	**Depr.& prov.**	**Net**	**Net**
Fixed assets				
Concessions, patents and similar rights	23 000,00	23 000,00		5 238,88
Other tangible fixed assets	55 383,29	45 927,60	9 455,69	15 823,80
Loans	2 370 607,05		2 370 607,05	2 510 977,48
Other fixed assets	18 511,66		18 511,66	18 151,24
TOTAL (I)	**2 467 502,00**	**68 927,60**	**2 398 574,40**	**2 550 191,40**
Current assets				
Trade and related accounts	1 086 836,98		1 086 836,98	778 537,05
Other receivables				
. Debtors suppliers	976,32		976,32	976,32
. State, profit tax				46 533,00
. State, turnover tax	11 675,31		11 675,31	7 458,87
. Other	486,13		486,13	287,00
Cash	989 924,51		989 924,51	513 452,53
Prepaid expenses	38 533,72		38 533,72	2 422,45
TOTAL (II)	**2 128 432,97**		**2 128 432,97**	**1 349 667,22**
Charges to be spread over several periods (III)				
Premium for redemption of bonds (IV)				
Unrealized exchange losses (V)				
TOTAL ASSETS (0 à V)	**4 595 934,97**	**68 927,60**	**4 527 007,37**	**3 899 858,62**

Balance Sheet - Equities and Liabilities

Equities and Liabilities	Current year 31/03/2019 (12 months)	Past year 31/03/2018 (12 months)
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 merger	2 69 626,62	2 486 902,85
Net income or loss of the tax year	367 672,11	-217 276,23
TOTAL (I)	**2 752 286,05**	**2 384 613,94**
TOTAL (II)	-	-
TOTAL (II)	-	-

Loans and debts	Current year 31/03/2019 (12 months)	Past year 31/03/2018 (12 months)
Other financial borrowing and debts		
Trade notes and related accounts payable	1 357 922,43	1 167 774,85
Tax payable and social liabilities		
Staff	92 705,44	121 093,18
Payroll taxes	65 855,80	93 664,36
State, profit tax	20 255,00	
State, turnover tax	140 341,56	107 594,85
Other taxes	21 673,88	757,00
Other debts	19 743,46	24 360,44
Prepaid income	56 223,75	
TOTAL (IV)	**1 774 721,32**	**1 515 244,68**
TOTAL LIABILITIES (I à V)	**4 527 007,37**	**3 899 858,62**

INCOME STATEMENT

INCOME STATEMENT	Current year 31/03/2019 (12 months)			Past year 31/03/2018 (12 months)
	France	Export	Total	Total
Sales of manufactured services	2 013 035,91	1 735 730,80	3 748 766,71	3 369 754,79
Net turnover	**2 013 035,91**	**1 735 730,80**	**3 748 766,71**	3 369 754,79

INCOME STATEMENT	Current Year 31/03/2019 (12 months)	Past year 31/03/2018 (12 months)
Recaptures on deprecations and reserves, expense transfer	91 972,41	25 968,00
Other operating income	2 544,01	15,26
Total operating income	**3 843 283,13**	**3 395 738,05**
Other purchases and external expenses	2 375 586,92	2 376 179,73
Taxes and assimilated payments	33 241,41	29 383,67
Salaries and wages expenses	730 803,62	932 546,16
Social security expenses	316 026,08	276 937,32
Operating allowances on fixed assets : depreciation allowances	11 149,67	14 321,70
Other expenses	107,95	19 699,35
Total operating expenses	**3 466 915,65**	**3 649 067,93**
OPERATING RESULT	**376 367,48**	**-253 329,88**
Other holdings and capitalized receivables	51 559,07	47 942,71
Profit on foreign exchange	3 715,45	3 148,78
Total financial income	**55 274,52**	**51 091,49**
Interests and assimilated expenses	1 385,00	-
Loss on foreign exchange	35,15	15 805,77
Total financial expenses	**1 420,15**	**15 805,77**
FINANCIAL RESULT	**53 854,37**	**35 285,72**
Ordinary result before tax	**430 221,85**	**-218 044,16**
Extraordinary capital gains	714,94	767,93
Total extraordinary income	**714,94**	**767,93**
Extraordinary operating losses	108,36	-
Extraordinary capital losses	457,32	-
Total extraordinary expenses	**565,68**	**-**
EXTRAORDINARY RESULT	**149,26**	**767,93**
Income tax	62 699,00	-
Total Income	**3 899 272,59**	**3 447 597,47**
Total expenses	**3 531 600,48**	**3 664 873,70**
NET RESULT	**367 672,11**	**-217 276,23**

Balance Sheet

ASSETS	Current Year 31/03/2019 (12 months)			Past year 31/03/2018 (12 months)
	Brut	**Depr.& prov.**	**Net**	Net
Fixed assets				
Concessions, patents and similar rights	23 000,00	23 000,00		5 238,88
205000 CONCESS.BREVETS LICENCES	23 000,00		23 000,00	23 000,00
280500 AMORT.CONC.BREVETS LICENCE		23 000,00	-23 000,00	-17 761,12
Other tangible fixed assets	**55 383,29**	**45 927,60**	**9 455,69**	**15 823,80**
218100 Others installation and fiting	11 872,91		11 872,91	11 872,91
218300 Office and computer equipement	27 710,88		27 710,88	28 285,88
218310 MATERIEL SALON AUTO				1 149,98
218400 Office equipment	15 799,50		15 799,50	15 799,50
281810 Amortisation of others instal		4 840,62	-4 840,62	-3 545,52
281830 Amortisation of office and comput		27 112,74	-27 112,74	-24 731,33
281831 AMORT MAT SALON AUTO				-613,33
281840 AMORT. MOBILIER		13 974,24	-13 974,24	-12 394,29
Loans	**2 370 607,05**		**2 370 607,05**	2 510 977,48
274800 AUTRES PRETS	350 000,00		350 000,00	1 500 000,00
274900 LOAN UK				1 000 000,00
274901 LOAN UK 1	2 000 000,00		2 000 000,00	
276840 INT COUR/PRETS	3 107,04		3 107,04	9 448,71
276841 INT COURUS PRET UK	17 500,01		17 500,01	1 528,77
Other fixed assets	18 511,66		18 511,66	18 151,24
275000 Deposit	18 511,66		18 511,66	18 151,24
TOTAL (I)	**2 467 502,00**	**68 927,60**	**2 398 574,40**	2 550 191,40
Current assets				
Trade and related accounts	1 086 836,98		1 086 836,98	778 537,05
411000 Customers and related accounts	886 244,08		886 244,08	703 452,36
418100 Customers - Invoices to be issued	200 592,90		200 592,90	75 084,69

ASSETS	Current Year 31/03/2019 (12 months)			Past year 31/03/2018 (12 months)
	Brut	Depr.& prov.	Net	Net
Other receivables				
Debtors suppliers	**976,32**		**976,32**	976,32
401001 Suppliers and related accounts -	976,32		976,32	976,32
State, profit tax				46 533,00
444000 Income tax				5 133,00
444110 CARRYBACK				41 400,00
State, turnover tax	11 675,31		11 675,31	7 458,87
445621 TVA DED/ ACH PREST IMM 20%	3 875,31		3 875,31	
445661 VAT - deductible	382,23		382,23	1 082,97
445860 VAT acc on invoice to be recei	7 417,77		7 417,77	6 375,90
Other	**486,13**		**486,13**	287,00
448700 ETAT PRODUITS A RECEVOIR				287,00
467072 NDF ASHISH MUDDALKAR	486,13		486,13	
Cash	**989 924,51**		**989 924,51**	513 452,53
512000 Bank SG	1 995,59		1 995,59	3 266,41
512100 Bank HSBC	987 928,92		987 928,92	510 186,12
Prepaid expenses	**38 533,72**		**38 533,72**	2 422,45
486000 Prepaid expenses	1 988,28		1 988,28	2 422,45
486100 Prepaid expenses ss traitance	36 545,44		36 545,44	
TOTAL (II)	**2 128 432,97**		**2 128 432,97**	1 349 667,22
Charges to be spread over several periods (III)				
Premium for redemption of bonds (IV)				
Unrealized exchange losses (V)				
TOTAL ASSETS (0 à V)	**4 595 934,97**	**68 927,60**	**4 527 007,37**	3 899 858,62

Balance Sheet - Equities and Liabilities

Equities and Liabilities	Current year 31/03/2019 (12 months)	Past year 31/03/2018 (12 months)
Shareholders' equity		
Share capital (paid-up capital : 100 000,00)	100 000,00	100 000,00
101300 Share capital	100 000,00	100 000,00
Legal reserve	14 987,32	14 987,32
106110 Legal Reserves	14 987,32	14 987,32
Retained (profits / losses) brought forward merger	2 269 626,62	2 486 902,85
110000 Profit or loss carried forward	2 269 626,62	2 486 902,85
Net income or loss of the tax year	367 672,11	-217 276,23
TOTAL (I)	**2 752 286,05**	**2 384 613,94**
TOTAL (II)		
Provisions for liabilities and charges		
TOTAL (III)		

Equities and Liabilities	Current year 31/03/2019 (12 months)	Past year 31/03/2018 (12 months)
Loans and debts		
Other financial borrowing and debts		
Trade notes and related accounts payable	1 357 922,43	1 167 774,85
401000 Suppliers and related accounts	1 266 355,19	1 098 966,38
408100 Sup - invoices to be received	44 506,85	38 255,42
408103 Ceedit note KPINDE UNBILLED	47 060,39	30 553,05
Tax payable and social liabilities		
Staff	**92 705,44**	**121 093,18**
421000 Staff remuneration payable	21 708,89	30 732,11
425000 PERS AVANCES ET ACOMPTES		281,00
428200 Accrued paid holidays	38 247,03	45 117,72
428500 Accrued salary	29 705,79	41 148,90
428640 Accrued paid RTT	3 043,73	3 813,45
Payroll taxes	**65 855,80**	**93 664,36**
431000 Social security	16 447,00	18 973,00
437100 Others social agencies (capimmec)	6 449,55	22 144,29
437500 Others social agencies (prévoyanc	2 256,42	1 715,26
437600 Others social agencies (mutuelle)	3 127,53	3 578,83
438200 Acc soc charge on paid holida	19 123,52	22 558,86
438500 Social agencies - Accrued amounts	14 852,92	20 574,40
438600 Other accrued social agencies	2 077,00	2 213,00
438650 Acc soc charge on paid RTT	1 521,86	1 906,72
State, profit tax	**20 255,00**	
444000 Income tax	20 255,00	
State, turnover tax	**140 341,56**	**107 594,85**
445510 Turnover tax VAT payable	39 449,00	22 365,00
445711 TVA coll 20%	73 102,14	80 549,85
445721 TVA COLL / ACH PREST IMM 2	3 875,31	
445870 VAT Accrued on customers not yet	23 915,11	4 680,00
Other taxes	**21 673,88**	**757,00**
442100 Withdrawal at source	3 435,88	
448600 Others taxes Accrued amount payab	18 238,00	757,00
Other debts	**19 743,46**	**24 360,44**
411001 Customers and related accounts	7 200,00	14 670,10
467005 NDF CAROLE BRUN	1 273,14	1 623,28
467050 NDF ANIMESH DAS		77,65
467060 NDF VIRAL JESALPURA	2 104,92	
467068 NDF JAGANNATH PRAKASH SAWA		2 937,51
467069 NDF MASKATI Abbas	1 500,00	3 555,80
467070 NDF Pawan Kr.Mishra	1 419,00	1 496,10
467071 NDF NEHA AGARWAL	832,80	
467075 NDF TULJAPURKAR	5 413,60	
Prepaid income	**56 223,75**	
487100 Deferred income ss traitance	56 223,75	
TOTAL (IV)	**1 774 721,32**	**1 515 244,68**
TOTAL LIABILITIES (I à V)	**4 527 007,37**	**3 899 858,62**

INCOME STATEMENT

INCOME STATEMENT	Current year 31/03/2019 (12 months)			Past year 31/03/2018 (12 months)
	France	Export	Total	Total
Sales of manufactured services	2 013 035,91	1 735 730,80	3 748 766,71	3 369 754,79
706103 Sales of services 20%	1 242 979,94		1 242 979,94	986 885,10
706307 PRESTATION LEGRAND 20%	700 642,91		700 642,91	859 458,34
706900 Sales 0 %		1 688 530,47	1 688 530,47	1 447 923,41
708503 Frais refacturation 20%	69 413,06		69 413,06	31 882,24
708900 Recharging cost 0 %		1 544,77	1 544,77	39 448,98 4
708902 Recharging cost inde		45 655,56	45 655,56	156,72
Net turnover	**2 013 035,91**	**1 735 730,80**	**3 748 766,71**	**3 369 754,79**

Recaptures on deprecations and reserves, expense transfer	91 972,41	25 968,00	66 004
781740 Release Accrual debt clients		14 568,00	-14 568
791000 Orther avantage salaries	91 972,41	11 400,00	80 572
Other operating income	2 544,01	15,26	2 529
758000 Others current income	2 544,01	15,26	2 529
	3 843 283,13	**3 395 738,05**	**447 545**
Other purchases and external expenses	2 375 586,92	2376 179,73	-593
604900 Operationnal subcontracting - KP	1 808 043,55	2662 271,42	145 772
604901 ACHAT PREST KPIT GERMANY		-703,32	703
604920 EXPENSES KPIT INDE	70 957,83	67 381,42	3 576
604923 EXPENSES KPUK	537,00	4 553,76	-4 016
604925 EXPENSES SYSTIME USA		1 884,18	-1 884
604926 EXPENSES KPIT USA	46 006,35	21 975,32	24 031
604928 EXPENSES KPIT CANADA		75 450,33	-75 450
604929 EXPENSES KPIT SPARTA		123 422,18	-123 422
606110 FOURN.NON STOCK.(ELECT.)	577,14	659,63	-82
606300 Non invetory materials and sup	730,43	1 064,08	-334
606310 Non inventory materials	314,25	287,01	27
606400 Administrative furniture and mate	455,70	1 008,71	-553
611200 SOUS TRAITANCE KPIT UK	13 888,83	16 480,70	-2 592
611300 G & A COSTS KPIT INDIA	38 048,80	34 438,00	3 610
613200 Rent and rental charges(offices)	67 210,18	66 091,20	1 119
614100 Other rent costs	9 710,90	10 812,57	-1 102
615200 Maintenance and repairs	4 635,00	4 500,00	135
616100 Insurance	1 254,96	1 214,52	40
621100 Employe interim	19 240,23		19 240
622600 Fees	44 752,50	44 927,50	-175
622602 Others fees	4 977,00	14 688,00	-9 711
622603 HONORAIRES OPENMIX GRISI	70 500,00	82 251,00	-11 751
622605 Auditor Fees	8 331,60	9 964,49	-1 633
622610 Lawyer Fees	19 022,50	23 187,53	-4 165
622700 Other fees	6,85	69,47	-63
623100 Legal publications		133,33	-133
624800 Other transports	1 198,33	1 017,80	181
625100 Travel, external missions	117 998,35	71 876,45	46 122
625700 Missions	175,45		175
626000 Postal and telecommunications	626,11	562,48	64
626100 Costs mobil SFR	464,61	13 805,97	-13 341
626400 FRAIS INTERNET	12 929,86	8 647,02	4 282
627500 Bank and similar services	992,61	12 256,98	736
Taxes and assimilated payments	241,41	29 383,67	3 858
631200 Taxes on wages and salaries (taxe	791,00	4 283,59	508
633300 Taxes on wages and salaries (form	466,41	3 248,08	218
635110 Others taxes (taxe professionnell	883,00	21 741,00	-12 858
635800 Others taxes (IFA)		111,00	-111
635801 WHITHOLDING TAX EGYPT MALA	16 101,00		-16 101
Salaries and wages expenses	730	932 546,16	201 743
641100 Wages and salaries	803,62	618 234,94	-5 412
641400 Other salaries	41 650,00	371 000,00	-329 350
641401 Other avantages	3 441,89	2 996,57	445
641430 AVANTAGE EN NATURE LOGEMEN	91 972,41	11 400,00	80 572
641501 Other salaries		-204,30	204
641510 Accrued bonus VPI	-18 118,11	-34 368,91	16 250
641520 PROV PRIME RETENTION	6 675,00		6 675
Social security expenses	316 026,08	276 937,32	39 089
645100 Social security	186 391,78	192 235,68	-5 844
645320 Others social contributions (capi	76 061,94	67 698,91	8 363
645400 Others social contributions (asse	28 988,43	24 686,31	4 302
645500 Others social contributions (prev	9 560,67	8 568,18	992
645510 Others social contributions (mutu	13 736,91	14 053,49	-317
645880 Accrued soc contr / paid RTT	-384,86	-255,21	-129
647100 Accrued soc contr / paid holid	-3 435,34	-18 000,87	14 565
647500 Accrued soc contrib	-9 058,98	-17 184,50	8 126
647530 PROV CH/PRIME DE RETENTION	3 337,50		3 337
648000 Other benefits costs	2 992,12	5 858,40	-2 866
648010 Indèmnité de repas	7 378,38	3 372,36	4 006
648100 Other staff cost	1 170,03	1 601,73	-431
648300 AUTRES DEPENSES DE PERSONN	44,50	200,00	-156
648400 ESOP KPIT INDIA		-2 193,16	2 193
649000 CICE	-757,00	-3 704,00	2 947
Operating allowances on fixed assets : depreciation allowances	11 149,67	14 321,70	-3 172
681110 Depreciation of intangible off	5 238,88	7 666,67	-2 428
681120 Depreciation of tangible assets	5 910,79	6 655,03	-745
Other expenses	107,95	19 699,35	-19 592
658000 Other current operating charges	86,72	19 699,35	-19 613
658100 Diff de change commerciale	21,23		21
Total operating expenses	**3 466 915,65**	**3 649 067,93**	**-182 152**
OPERATING RESULT	**376 367,48**	**-253 329,88**	**629 696**
Other holdings and capitalized receivables	51 559,07	47 942,71	3 617
762000 PROD.DES AUTRES IMMO FINAN	51 559,07	47 942,71	3 617
Profits on foreign exchange	3 715,45	3 148,78	567
766000 Exchange gains	3 715,45	3 148,78	567
Total financial income	**55 274,52**	**51 091,49**	**4 183**
Interests and assimilated expenses	1 385,00		1 385
661180 INTEREST WHITHOLDING EGYPT	1 385,00		1 385
Loss on foreign exchange	35,15	15 805,77	-15 770
666000 Foreing exchanges losses	35,15	15 805,77	-15 770
Total financial expenses	**1 420,15**	**15 805,77**	**-14 385**
FINANCIAL RESULT	**53 854,37**	**35 285,72**	**18 569**
Ordinary result before tax	**430 221,85**	**-218 044,16**	**648 265**
Extraordinary capital gains		714,94	767,93
775200 EXCEPT PRODTS CESS ELEM AC		714,94	
778800 Others income			767,93
Total extraordinary income		**714,94**	**767,93**
Extraordinary operating losses		108,36	
671300 EXCEPT DONS LIBERALITES		108,36	
Extraordinary capital losses		457,32	
675200 net value sold assets		457,32	
Total extraordinary expenses		**565,68**	
EXTRAORDINARY RESULT		**149,26**	767,93
Income tax		62 699,00	
695000 Income tax		62 699,00	
Total Income		**3 899 272,59**	**3 447 597,47**
Total expenses		**3 531 600,48**	**3 664 873,70**
NET RESULT		**367 672,11**	**-217 276,23**
		Profit	**Loss**

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, 2019.

Financial Results

Particulars	2018– 19 (EURO)	2017– 18 (EURO)
Total Income	8,601,097	8,088,122
Net Profit / (Loss) for the period	(422,304)	41,733

Operations

During the year under review, total income of the Company was increased by 6.34% but due to increase in cost the company incurred losses.

Change in Management

During the year under review, Ms. Sabine Schmidtke, Managing Director of the Company resigned w.e.f. March 31, 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
KPIT Solutions GmbH

Markus Waidelich
Managing Director

May 9, 2019

A. ASSIGNMENT AND PERFORMANCE OF ASSIGNMENT

The management of
KPIT Solutions GmbH of Bielefeld
instructed us to prepare the Company's annual financial statements as of 31 March 2019.

We performed this task in April 2019.

This report was prepared based on documents available to us and information provided.

The balance sheet as of 31 March 2019 and the profit and loss statement for the period from 1 April 2018 to 31 March 2019 as well as the notes for the 2018/2019 financial year are attached to this report as Appendices 1 to 3.

Breakdowns and explanations of items on the balance sheet and the profit and loss statement can be found in Appendix 4.

The 'General Terms of Engagement for Tax Consultants' attached as Appendix 5 apply to the performance of our task and our responsibility, also in relation to third parties.

B. LEGAL SITUATION

1. Shareholding structure

Company:	KPIT Solutions GmbH
Head office:	Bielefeld
Object of the Company:	The object of the Company is dealing in hardware and software, the production and implementation of software and similar business.
	The Company is able to establish branches and hold interests in other companies.
Share capital, shareholders:	The share capital is €25,000.00.
	As of 31 March 2019, with its capital contribution, KPIT Infosystems Ltd. with its registered office in Hurst (United Kingdom) is the sole shareholder of KPIT Solutions GmbH. Shares were transferred based on a notarial certificate dated 23 November 2018 (Certificate no. 3181S/18 from notary Florian Satzl, Munich).
	The original shares are fully paid up.
Management, representation:	The following were appointed as managing directors of KPIT Solutions GmbH:
	• Ulrich Heinzel, dismissed through resolution passed on 7 January 2019,
	• Sabine Schmidtke, whose authority to act as sole representative and exemption from the restrictions under Section 181 BGB was revoked at the same time.
	In a resolution passed on 7 January 2019, Markus Waidelich was also appointed as new managing director with authority to act as sole representative and with exemption from the restrictions under Section 181 BGB.
Powers of attorney:	Sole power of attorney was granted to Uwe Kappmeier. This was revoked through the resolution passed on 7 January 2019.
Articles of Association:	Version dated 13 November 2010
Commercial register:	The Company was entered in the commercial register held by the Bad Homburg v.d. Höhe District Court under number HRB 9388 on 31 October 2003. Due to the relocation of the Company's head office on 30 October 2009, the Company was entered in the commercial register held by the Bielefeld District Court under number HRB 39769.
Financial year:	The financial year starts on 1 April of each year and ends on 31 March of the following year.
General meeting of shareholders:	The following resolutions were passed at the general meeting of shareholders to discuss the previous year's financial statements:
	- The annual financial statements as at 31 March 2018 were approved.
	- The net profit in the 2017/2018 financial year was carried forward in full to a new account.
	- The management was granted discharge for the 2017/2018 financial year.

2 Tax situation

The Company is registered with the Bielefeld-City Tax Office under VAT ID no. 305/5845/0843.

Tax assessment notices have been presented for assessment periods up to and including 2016.

C. FINANCIAL CIRCUMSTANCES

1. Financial principles

KPIT Solutions GmbH deals in hardware and software and is also involved in the production and implementation of software.

The following employees were employed as at the reporting date:

	31.03.2018	31.03.2017
Managing directors	1	2
Commercial staff	24	40
Temporary staff	1	3
Trainees	0	3
	26	**48**

2. Development of the assets, liabilities and financial position

In order to analyse the assets, liabilities and financial position, we have arranged the items on the balance sheet and profit and loss statement according to accounting principles and made a comparison between recent financial years.

The structure of this section is based on the breakdown and order in Section 264 (2) clause 1 HGB.

For computational reasons, there may be rounding differences from the exact mathematical values in tables and references.

2.1 Development of net assets

a. Standardised balance sheet

The individual balance sheet items are combined below from economic and financial perspectives and compared with corresponding items in previous years.

In order to present the asset structure, the balance sheet items on the assets side are assigned to non-current or medium-term and current assets.

In order to present the capital structure, the balance sheet items on the liabilities side are assigned to equity or borrowed capital, where a differentiation is made within borrowed capital between non-current and medium-term and current liabilities.

ASSETS	31.03.2019		31.03.2018		31.03.2017	
	T€	%	T€	%	T€	%
Assets						
Intangible assets	8	0.2	11	0.4	15	0.7
Tangible fixed assets	14	0.3	21	0.9	27	1.1
	22	**0.5**	**32**	**1.3**	**42**	**1.8**
Current assets, realisable						
Trade debtors	3,316	80.7	1,515	61.4	1,565	68.0
Other assets	394	9.6	143	5.8	127	5.6
Available funds/short-term investments	0	0.0	475	19.3	398	17.3
	3,710	**90.3**	**2,133**	**86.5**	**2,090**	**90.9**
Current assets, other						
Stocks	341	8.3	39	1.6	13	0.6
Prepaid expenses	38	0.9	262	10.6	155	6.7
	379	**9.2**	**301**	**12.2**	**168**	**7.3**
Total assets	**4,111**	**100.0**	**2,466**	**100.0**	**2,300**	**100.0**

EQUITY AND LIABILITIES	31.03.2019		31.03.2018		31.03.2017	
	T€	%	T€	%	T€	%
Equity						
Subscribed capital	25	0.6	25	1.0	25	1.1
Profit carried forward	688	16.8	646	26.2	730	31.8
Result for the year	-422	-10.3	42	1.7	-84	-3.7
	291	**7.1**	**713**	**28.9**	**671**	**29.2**
Borrowed capital, due in the short-term						
Tax provisions	0	0.0	85	3.4	85	3.7
Other provisions	1,633	39.7	391	15.9	406	17.7
Due to banks, short-term	24	0.6	0	0.0	0	0.0
Payments received on account	0	0.0	12	0.5	37	1.6
Trade creditors	1,144	27.8	464	18.8	372	16.2
Other liabilities	342	8.3	114	4.6	167	7.2
Deferred income	677	16.5	687	27.9	562	24.4
	3,820	**92.9**	**1,753**	**71.1**	**1,629**	**70.8**
Total equity and liabilities	**4,111**	**100.0**	**2,466**	**100.0**	**2,300**	**100.0**

b. Capital structure

Definition: Equity as % of total capital (equity ratio

as % of total capital (borrowed capital ratio

as % of equity (debt-equity ratio

Application:: Assessment of Company's capital structure

Financial year		31/03/2019	31/03/2018	31/03/2017
Equity ratio	%	7.1	28.9	29.2
Borrowed capital ratio	%	92.9	71.1	70.8
Debt-equity ratio	%	1,308.5	246.0	242.5

c. Asset structure

Definition: Assets as % of total assets (ratio of fixed assets to total assets)

assets as % of total assets (ratio of current assets to total assets)

Application: Assessment of Company's asset structure

Financial year		31/03/2019	31/03/2018	31/03/2017
Ratio of fixed assets to total assets	%	0.5	1.3	1.8
Ratio of current assets to total assets	%	99.5	98.7	98.2

d. Debtors turnover (in days)

Definition: $\frac{\text{average level of debtors x 360 days}}{\text{turnover}}$

Application: Calculation of average period allowed for payment

Financial year	2018/2019	2017/2018	2016/2017
Days	103.6	70.5	67.6

e. Duration of liabilities (in days)

Definition: $\frac{\text{average level of creditors x 360 days}}{\text{cost of goods sold}}$

Application: Calculation of average period allowed for payment taken

Financial year	2018/2019	2017/2018	2016/2017
Days	61.0	60.4	60.7

2.2 Development of financial position

a. Cash flow statement

The following cash flow statement shows investment and financing transactions in recent financial years on the basis of 'current available funds":

		2018/2019	2017/2018	2016/2017
		T€	T€	T€
1.	**Result for the year**	-422	42	-84
2.	Depreciation/appreciation of fixed assets	25	18	24
3.	Increase/decrease in long-term provisions	0	0	0
4.	Other non-cash expenses/income	0	0	0
	Cash flow for the year	**-397**	**60**	**-60**
5.	Increase/decrease in short-term provisions	1,157	-15	28
6.	Loss/profit from the disposal of tangible fixed assets	0	0	0
7.	Decrease/increase in stocks, receivables and other assets	-2,130	-100	-283
8.	Increase/decrease in payables and other liabilities	886	140	-207
	Cash inflow/outflow from operating activities	**-484**	**85**	**-522**
9.	Payments from disposals of intangible assets	0	0	0
10.	Disbursements for investments in intangible assets	-2	-2	-4
11.	Payments from disposals of tangible fixed assets	0	0	0
12.	Disbursements for investments in tangible fixed assets	-13	-6	-16
13.	Payments from disposals of financial assets	0	0	0
14.	Disbursements for investments in financial assets	0	0	0
	Cash inflow/outflow from investment activity	**-15**	**-8**	**-20**
15.	Payments from shareholders	0	0	0
16.	Disbursements to shareholders	0	0	0
17.	Payments from drawing down of bank loans	0	0	0
18.	Disbursements for repayments of bank loans	0	0	0
	Cash inflow/outflow from financing activity	**0**	**0**	**0**
19.	Non-cash change in financial resources	-499	77	-542
20.	Financial resources at the beginning of the period	475	398	940
21.	Financial resources at the end of the period	-24	475	398

Composition of financial resources:	31/03/2019	31/03/2018	31/03/2017
	T€	T€	T€
Cash in hand, bank balances, short-term investments	0	475	398
Current bank loans and overdraft	-24	0	0
	-24	**475**	**398**

The financial resources at the beginning (no. 20) and end of the period (no. 21) correspond to the items 'Cash in hand, bank balances' and the current 'Bank loans and overdraft'. These available funds were down T€ 499 in the reporting year.

b. Fixed liquidity (2nd grade liquidity)

Definition: $\frac{\text{available funds + current receivables}}{\text{short-term borrowed capital}}$

Application: Calculation of the coverage of current payables current assets realisable in the short-term

Financial year	31/03/2019	31/03/2018	31/03/2017
%	**98.1**	**121.7**	**128.3**

2.3 Development of earnings

a. Overview of results

The development of earnings compared with previous years is shown in the following comparison of income statements derived from the profit and loss statement.

	2018/2019		2017/2018		2016/2017	
	T€	%	T€	%	T€	%
Turnover	8,391	96.5	7,862	99.7	7,737	100.1
Change in stock	302	3.5	25	0.3	-4	-0.1
Total turnover and operating revenue	**8,693**	**100.0**	**7,887**	**100.0**	**7,733**	**100.0**
Cost of goods sold	-4,741	-54.5	-2,487	-31.5	-2,578	-33.3
Gross profit	**3,952**	**45.5**	**5,400**	**68.5**	**5,155**	**66.7**
Other operating income	210	2.4	226	2.9	222	2.9
Personnel costs	-3,037	-34.9	-3,896	-49.4	-3,903	-50.5
Other operating expenses	-1,508	-17.3	-1,674	-21.2	-1,533	-19.8
Other taxes	-12	-0.1	-13	-0.2	-20	-0.3
EBITDA	**-395**	**-4.4**	**43**	**0.6**	**-79**	**-1.0**
Depreciation of tangible fixed assets	-25	-0.3	-18	-0.2	-24	-0.3
EBIT/operating result	**-420**	**-4.7**	**25**	**0.4**	**-103**	**-1.3**
Interest income	0	0.0	3	0.0	0	0.0
Interest expenses	-2	0.0	0	0.0	0	0.0
Financial result	**-2**	**0.0**	**3**	**0.0**	**0**	**0.0**
EBT	**-422**	**-4.7**	**28**	**0.4**	**-103**	**-1.3**
Income tax	**0**	**0.0**	**14**	**0.2**	**19**	**0.2**
Result for the year	**-422**	**-4.7**	**42**	**0.6**	**-84**	**-1.1**

b. Return on equity

Definition: $\frac{\text{Result for the year + income tax}}{\text{Equity}}$

Application: Assessment of interest on capital provided by shareholders

Financial year	2018/2019	2017/2018	2016/2017
%	-145.2	3.9	-15.4

c. Return on assets

Definition: $\frac{\text{Result for the year + income tax + interest expenses}}{\text{Total equity}}$

Application: Assessment of interest on total capital in the company

Financial year	2018/2019	2017/2018	2016/2017
%	-10.3	1.1	-4.5

d. Return on sales

Definition: $\frac{\text{Operating results}}{\text{Turnover}}$

Application: Calculation of profitability of operating revenue

Financial year	2018/2019	2017/2018	2016/2017
%	-4.6	0.3	-1.3

e. Personnel costs/total output ratio

Definition: Personnel expenses / Total turnover and operating revenue

Application: Analysis of staff deployment

Financial year	2018/2019	2017/2018	2016/2017
%	34.9	49.4	50.5

D. Accounting/annual financial statements

The accounts of the company under review are prepared electronically using the DATEV 'Kanzlei-Rechnungswesen pro' system.

Accounting and record keeping comply with statutory requirements and the principles of proper accounting.

The Company's annual financial statements have been prepared in accordance with the accounting regulations for stock companies under commercial law. Reference is also made to the information in the notes.

E. Audit certificate

We provide the annual financial statements of KPIT Solutions GmbH for the 2018/2019 financial year, which show a net loss for the year of €422,304.46, with the following audit certificate:

Certificate from tax advisor regarding the preparation of the annual financial statements

'We have prepared the following annual financial statements, consisting of balance sheet, profit and loss statement and notes, for KPIT Solutions GmbH for the financial year 1 April 2018 to 31 March 2019 as instructed, in accordance with the regulations under German commercial law and the supplementary provisions in the Company's Articles of Association. The basis for preparing these accounts were the books kept by us and the supporting evidence, ledgers and records of holdings presented to us, which we have not audited as per instructions, as well the disclosures made to us. Keeping accounts as well as compiling an inventory and preparing annual financial statements in accordance with the regulations under German commercial law and the supplementary provisions in the Company's Articles of Association are the responsibility of the Company's legal representatives.

We performed our assignment in accordance with the official statement of the German Chamber of Tax Consultants on the principles for preparing annual financial statements. These include the production of the balance sheet, the profit and loss statement and the notes on the basis of the accounts kept and the inventory, as well as the stipulations regarding the balance sheet and evaluation methods to be applied.

Bielefeld, 8 May 2019

BPP Becker Patzelt Pollmann und Partner mbB
Auditors | Tax Consultants | Solicitors

(Steffen Stötzel)
Tax consultant

(Frank Wehrmann)
Auditor - Tax consultant

Balance Sheet

31 March 2019

ASSETS		31-03-2019	31-03-2018
		€	€
A.	**Assets**		
I.	Intangible assets		
1.	Computer software	8,164.00	11,224.00
II.	Tangible fixed assets		
1.	Other factory and office equipment	14,105.00	20,979.00
B.	**Current assets**		
I.	Stocks		
1.	Work in progress: goods and services	340,940.13	39,000.00
II.	Debtors and other assets		
1.	Trade debtors	3,316,427.79	1,514,653.57
2.	Other assets	393,397.13	143,099.10
		3,709,824.92	**1,657,752.67**
III.	Cash in hand, bank balances	211.70	474,997.92
C.	**Prepaid expenses**	37,895.03	262,374.12
		4,111,140.78	**2,466,327.71**

LIABILITIES		31-03-2019	31-03-2018
		€	€
A.	**Equity**		
I.	Subscribed capital	25,000.00	25,000.00
II.	**Profit carried forward**	688,090.62	646,357.85
III.	Net loss/profit for the year	-422,304.46	41,732.77
B.	**Provisions**		
1.	Tax provisions	0.00	85,015.74
2.	Other provisions	1,632,942.90	390,941.66
		1,632,942.90	**475,957.40**
C.	**Liabilities**		
1.	Bank loans and overdraft	24,245.73	0.00
2.	Payments received on account	0.00	12,400.00
3.	Trade creditors	1,143,671.41	463,486.76
4.	Other liabilities	342,029.14	114,476.67
		1,509,946.28	**590,363.43**
D.	Deferred income	677,465.44	686,916.26
		4,111,140.78	**2,466,327.71**

Profit and Loss Account for the business year from 01st April 2018 to 31st March 2019

	EQUITY AND LIABILITIES	2018/2019	2017/2017
		€	€
1.	Turnover	8,390,557.79	7,862,222.35
2.	Increase in work in progress and stocks of finished goods	301,940.13	25,500.00
3.	Other operating income	210,538.83	225,899.83
4.	Cost of materials		
a)	Cost of raw materials and supplies and goods purchased for resale	-1,781,991.81	-2,371,839.87
b)	Cost of external services	-2,958,988.75	-114,822.27
		-4,740,980.56	**-2,486,662.14**
5.	Personnel expenses		
a)	Wages and salaries	-2,629,434.94	-3,350,944.56
b)	Social security contributions and pension costs	-407,657.62	-545,432.98
		-3,037,092.56	**-3,896,377.54**
6.	Depreciation, amortisation and write-downs		
a)	Amortisation of intangible and tangible fixed assets	-24,770.56	-17,794.62
7.	Other operating expenses	-1,508,198.72	-1,673,890.01
8.	Other interest and similar income	0.00	2,600.83
9.	Interest and similar expenses	-1,878.76	-93.00
10.	Income tax	-193.01	13,675.02
11.	Result after taxes	-410,077.42	55,080.72
12.	Other taxes	-12,227.04	-13,347.95
13.	Net loss/profit for the year	-422,304.46	41,732.77

Notes for the financial year 2018/2019

I. General Information

KPIT Solutions GmbH has its registered office in Bielefeld. It is entered in the register of companies held by the Bielefeld District Court under HRB 39769.

II. General information on the content and breakdown of the annual financial statements

The Company is a small capital company in accordance with Section 267 HGB. The balance sheet as at 31 March 2019 and the profit and loss statement for the period 1 April 2018 to 31 March 2019 was prepared in accordance with the classification system for large capital companies and the supplementary provisions in the Company's Articles of Association.

The annual financial statements were prepared in accordance with the German Accounting Directive Implementation Act (BilRUG).

III. Details of balance sheet and evaluation methods

1. The annual financial statements are prepared based on the assumption that the Company will continue to exist.
2. These annual financial statements have essentially been prepared in accordance with the classification and evaluation principles under the German Commercial Code applied to annual financial statements.
3. Intangible and tangible fixed assets are shown on the balance sheet at acquisition cost less scheduled depreciation, amortisation and write-downs. The tax regulations for low-value assets are also applied to annual financial statements prepared in accordance with the German Commercial Code, as overall this item is less important.
4. Work in progress (services) is valued at original cost. Direct costs based on hours worked plus overheads eligible for capitalisation, excluding administrative overheads, are taken into account. The lower of cost or market principle is followed.
5. Debtors, other assets and available funds are shown on the balance sheet at nominal value.

   Appropriate account is taken, where required, of the risks in terms of trade debtors by forming provisions for losses on individual accounts.
6. Prepaid expenses relate to expenses prior to the reporting date, which represent expenses for a specific period after this date. These are shown on the balance sheet at nominal value and the item is amortised on a straight-line basis over the relevant period.
7. Equity is reported at the nominal amount.
8. Provisions account for all identifiable risks and contingent liabilities and are valued at the repayment amount which is necessary in accordance with a prudent commercial assessment (Section 253 (1) HGB).
9. Liabilities are shown at their settlement amount.
10. Deferred income relates to income prior to the reporting date, which represents income for a specific period after this date. These are shown on the balance sheet at nominal value and the item is amortised on a straight-line basis over the relevant period.

IV. Explaination on the balance sheet

1. The following schedule of assets has been produced..

		Acquisition/original cost				Depreciation, amortisation and write-downs						Appreciation	Book values	
		As at	Additions	Disposals	Reclassification	As at	As at	Additions	Disposals	Reclassification	As at	Financial year	As at	As at
		01/04/2018				31/03/2019	01/04/2018				31/03/2019		31/03/2019	31/03/2018
		€	€	€	€	€	€	€	€	€	€	€	€	€
A.	Fixed assets													
I.	Intangible assets													
1	Computer software	30,720.63	1,861.50	0.00	0.00	32,582.13	19,496.63	4,921.50	0.00	0.00	24,418.13	0.00	8,164.00	11,224.00
	Total intangible assets	**30,720.63**	**1,861.50**	**0.00**	**0.00**	**32,582.13**	**19,496.63**	**4,921.50**	**0.00**	**0.00**	**24,418.13**	**0.00**	**8,164.00**	**11,224.00**
II.	Tangible fixed assets													
1	Other factory and office equipment	83,532.08	12,975.06	0.00	0.00	96,507.14	62,553.08	19,849.06	0.00	0.00	82,402.14	0.00	14,105.00	20,979.00
	Total tangible fixed assets	**83,532.08**	**12,975.06**	**0.00**	**0.00**	**96,507.14**	**62,553.08**	**19,849.06**	**0.00**	**0.00**	**82,402.14**	**0.00**	**14,105.00**	**20,979.00**
	Total assets	**114,252.71**	**14,836.56**	**0.00**	**0.00**	**129,089.27**	**82,049.71**	**24,770.56**	**0.00**	**0.00**	**106,820.27**	**0.00**	**22,269.00**	**32,203.00**

2. With the exception of security deposits of T€ 29 (previous year: T€ 27), Debtors and other assets are due within one year.
3. See the following statement of liabilities for details of residual periods and the collateralisation of liabilities as at 31 March 2019:

			of which with a residual term		
Balance sheet item as at 31 March 2019	**Total amount**		**up to 1 year**	**1 to 5 years**	**over 5 years**
		T€	**T€**	**T€**	**T€**
Bank loans and overdraft		24	24	0	0
Previous year:	0	0	0	0	
Payments received on account		0	0	0	0
Previous year:	12	12	0	0	
Trade					
creditors		1,144	1,144	0	0
	Previous year:	464	464	0	0
Other liabilities		342	342	0	0
	Previous year:	114	113	0	1
- of which from taxes		316	316	0	0
	Previous year:	100	100	0	0
- of which relating to social security		13	13	0	0
	Previous year:	11	11	0	0
Total		1,510	1,510	0	0
	Previous year:	590	589	0	1

Trade creditors include liabilities to shareholders of T€ 0 (previous year: T€ 160).

V. Notes to the profit and loss statement

1. The profit and loss statement has been broken down in accordance with the total cost method (Section 275 (2) HGB)).
2. 'Social security contributions and pension costs' includes pension costs of T€ 6 (previous year: T€ 11).

VI. Other Information

1. The average number of employees is made up as follows (calculation in accordance with Section 267 (5) HGB):

	Amount 2018/2019
Managing directors	2
Commercial staff	34
Part time staff	2
	38

2. Responsibility for managing the company in the 2018/2019 financial year was assumed by managing directors Ulrich Heinzel, dismissed in resolution passed on 7 January 2019, and Sabine Schmidtke. Markus Waidelich was appointed as new managing director in the same resolution.
3. Other financial obligations in accordance with Section 285 No. 3a HGB, which are not shown on the balance sheet and are not required to be reported in accordance with Section 251 HGB, amount to around T€481 for the following financial year. This amount consists of T€150 for rent commitments in relation to the company building and T€331 for leasing commitments.

Bielefeld, 9 May 2018

Markus Waidelich
(Managing Director)

BREAKDOWN AND EXPLANATION OF THE ITEMS WITHIN THE ANNUAL FINANCIAL STATEMENT AS OF MARCH 31, 2019

I. Notes to the balance sheet as at 31 March 2019

Explanations are only provided for items insofar as this appears necessary in order to understand them.

Assets

A. Fixed assets

I. Intangible assets		
Computer software		€8,164.00
31/03/2018		€11,224.00
Development, see schedule of assets		
	31/03/2019	**31/03/2018**
	€	**€**
Composition of item:		
Computer software	8,164.00	11,224.00
	8,164.00	**11,224.00**
II. Tangible assets		
Other factory and office equipment		€14,105.00
31/03/2018		€20,979.00
Development see statement of fixed assets		
	31/03/2019	**31/03/2018**
	€	**€**
Composition of item:	**31.03.2018**	**31.03.2017**
Other transport	1.00	1.00
Plant and equipment	1,235.00	4,840.00
Fixtures and fittings	4,636.00	6,872.00
Fixtures, fittings, plant and equipment	1,810.00	0.00
Office equipment	1,433.00	1,955.00
Fixtures and fittings in third-party buildings	3,132.00	3,870.00
Assets (group item)	**14,105.00**	**20,979.00**
B. Current assets		
I. Stocks		
1. Work in progress: goods and services		€340,940.13
31/03/2018		€39,000.00
	31/03/2019	**31/03/2018**
	€	**€**
Composition of item:		
Work in progress (services)	340,940.13	39,000.00
	340,940.13	**39,000.00**
II. Debtors and other assets		
1 Trade debtors		€3,316,427.79
31.03.2018		€1,514,653.57
2 Other assets		€393,397.13
31.03.2018		€143,099.10
	31/03/2019	**31/03/2018**
	€	**€**
Tax office/VAT	165,672.98	0.00
Claim for recovery of corporation tax	98,280.90	69,096.90
Creditors with debit balances	63,991.38	34,220.79
Receivable from overpayment of business tax	32,075.00	0.00
Deposits	28,574.07	27,104.07
Amounts owed by health insurance companies		
in accordance with the 'Aufwendungsausgleichsgesetz' (Expenses Compensation Act)	4,721.36	0.00
Transitory items	81.44	0.00
Amounts owed by personnel from wages and salaries	0.00	12,677.34
	393,397.13	**143,099.10**

III.	**Cash in hand and bank balances**		€211.70
	31/03/2018		€474,997.92
		31/03/2019	**31/03/2018**
		€	**€**
	Cash Bielefeld	120.54	526.41
	Cash Nuremberg	91.16	91.16
	HypoVereinsbank # 15433962	0.00	474,380.35
		211.70	**474,997.92**
		Amount in €	Amount in €
C.	**Prepaid expenses**		€37,895.03
	31.03.2018		€262,374.12
Equity and liabilities			
A.	**Equity**		
I.	**Subscribed capital**		€25,000.00
	31/03/2018		€25,000.00
II.	**Profit carried forward**		€688,090.62
	31/03/2018		€646,357.85
		31/03/2019	**31/03/2018**
		€	**€**
	Development:		
	As at 1 April	646,357.85	730,706.66
	Result, previous year	41,732.77	-84,348.81
	As at 31 March	688,090.62	646,357.85
III.	**Net loss/profit for the year**		€-422,304.46
	31/03/2018		€41,732.77
B.	**Provisions**		
1.	**Tax provisions**		€0.00
	31/03/2018		€85,015.74
		31/03/2019	**31/03/2018**
		€	**€**
	Composition of item:		
	Provision for trade tax	0.00	44,498.00
	Provision for corporation tax	0.00	40,517.74
		0.00	**85,015.74**
2	**Other provisions**		€1,632,942.90
	31/03/2018		€390,941.66
		31/03/2019	**31/03/2018**
		€	**€**
	Composition of item:		
	Provision for outstanding invoices	1,383,109.58	0.00
	Other provisions	79,822.00	76,906.03
	Provision for personnel costs	79,378.00	193,000.00
	Provision for warranties	41,700.00	34,500.00
	Provision for holidays (salaries)	35,633.32	75,235.63
	Provision for audit fees	10,000.00	8,000.00
	Provision for storage of documentation	3,300.00	3,300.00
		1,632,942.90	**390,941.66**
C.	**Liabilities**		
1	**Bank loans and overdraft**		€24,245.73
	31/03/2018		€0.00
		31/03/2019	**31/03/2018**
		€	**€**
	Composition of item:		
	HypoVereinsbank # 15433962	24,245.73	0.00
		24,245.73	**0.00**

2	**Payments received on account**		€0.00
	31/03/2018		€12,400.00
3	**Trade creditors**		€1,143,671.41
	31/03/2018		€463,486.76
	According to list of creditor balances		
4	**Other liabilities**		€342,029.14
	31/03/2018		€114,476.67
		31/03/2019	**31/03/2018**
		€	**€**
	Composition of item:		
	Debtors with credit balance	8,924.41	2,487.10
	Tax office/VAT	283,162.55	46,818.60
	Transitory items	0.00	329.34
	Deposits received	0.00	850.00
	Wages and salaries	1,147.47	0.00
	Wage and church tax	33,334.65	53,342.55
	Social security	12,826.58	10,649.08
	Deductions from employees	2,633.48	0.00
		342,029.14	**114,476.67**
D.	**Deferred income**		**€677,465.44**
	31/03/2018		€686,916.26

II. Notes to the profit and loss statement from 1 April 2018 to 31 March 2019

		Amount in €	Amount in €
1.	**Turnover**		€8,390,557.79
	2017/2018		**€7,862,222.35**
		2018/2019	2017/2018
		€	€
	Composition of item:		
	Revenue 19% VAT Service	4,809,260.72	4,439,330.22
	Revenue 19% VAT Maintenance	2,578,441.23	2,338,117.58
	Revenue from payments in accordance with Section 13b Value Added Tax Law	744,576.55	151,443.63
	Revenue 19% VAT Licences	248,218.37	865,497.65
	Income from land	25,031.00	33,936.86
	Commission revenue 19% VAT	8,082.07	0.00
	KPIT US revenue	0.00	29,044.08
	Revenue exempt from VAT	0.00	5,500.00
	Non-taxable turnover third country	0.00	1,650.00
	Discounts granted 19% VAT	-437.16	-2,297.67
	Rebates granted	-22,614.99	0.00
		8,390,557.79	**7,862,222.35**
2	**Increase in work in progress and stocks of finished goods**		**€301,940.13**
	2017/2018		€ 25,500.00
3	**Other operating income**		€210,538.83
	2017/2018		**€225,899.83**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Benefits in kind	165,854.69	225,557.94
	Income from the reduction of liabilities	20,349.44	0.00
	Income from the reversal of provisions	13,320.00	341.25
	Insurance claims/compensation	9,655.62	0.00
	Other income not relating to operating activities/ period	1,359.08	0.00
	Income not related to the period	0.00	0.64
		210,538.83	**225,899.83**

		2018/2019	2017/2018
		€	€
4	**Cost of materials**		
a)	Cost of raw materials and supplies and goods purchased for resale		€1,781,991.81
	2017/2018		€2,371,839.87
	Composition of item:		
	Maintenance/licences	-1,781,997.11	-2,371,839.87
	Discounts received 19% input tax	-5.30	0.00
		1,781,991.81	**2,371,839.87**
b)	**Cost of external services**		€2,958,988.75
	2017/2018		**€114,822.27**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Purchased services	2,958,988.75	114,822.27
		2,958,988.75	**114,822.27**
5	**Personnel expenses**		
a)	**Wages and salaries**		€2,629,434.94
	2017/2018		**€3,350,944.56**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Wages and salaries	-1,781,583.51	-2,518,862.97
	Managing director salaries	366,767.54	269,908.00
	Voluntary social security contributions	194,378.51	268,414.00
	Bonuses paid	192,710.46	126,295.50
	Sales commission	101,905.27	185,457.15
	Contributions to capital formation	1,088.00	2,448.00
	Other personnel costs	0.00	-1,489.00
	Refunds in accordance with		
	Expenses Compensation Act	-8,998.35	-21,930.06
		2,629,434.94	**3,350,944.56**
b)	**Social security contributions and pension costs**		€407,657.62
	2017/2018		**€545,432.98**
		2018/2019	**2017/2018**
	Composition of item:	**€**	**€**
	Statutory social security contributions	381,108.05	514,710.90
	Professional association contributions	12,829.43	7,494.19
	Voluntary social security contributions	7,731.32	12,461.09
	Pension costs	3,632.53	6,218.13
	Flat-rate tax for insurance	2,356.29	4,548.67
		407,657.62	**545,432.98**
6	**Depreciation, amortisation and write-downs**		
a)	**Amortisation of intangible and tangible fixed assets**		€24,770.56
	2017/2018		**€17,794.62**
7.	**Other operating expenses**		€1,508,198.72
	2017/2018		**€1,673,890.01**
		2018/2019	**2017/2018**
		€	**€**
	Composition of the item:		
	Costs for premises	-164,647.98	-181,247.22
	Repairs and upkeep	-46,768.06	-27,860.32
	Insurance, contributions and charges	-20,578.79	-18,371.01
	Vehicle costs	-518,139.13	-595,236.34
	Advertising costs and travel expenses	-477,085.39	-552,507.19
	Delivery costs	-7,430.40	-1,100.00
	Miscellaneous operating costs	-273,548.97	-297,567.93
		1,508,198.72	**1,673,890.01**

	2018/2019	2017/2018
Costs of premises	€	€
Other costs for premises	-263.10	-763.81
Rent, immovable assets	149,255.40	157,446.73
Gas, electricity, water	7,726.73	10,394.73
Cleaning	7,402.75	8,695.45
Upkeep of operating premises	0.00	3,946.50
	-164,647.98	**-181,247.22**
Repairs/upkeep		
fixtures, fittings, plant and equipment	2,670.14	865.42
Maintenance costs for hardware and software	44,097.92	19,964.90
Other repairs and upkeep	0.00	7,030.00
	-46,768.06	**-27,860.32**
Insurance, contributions and charges		
Countervailing charge German Disabilities Act	5,280.00	6,600.00
Insurance	7,392.27	8,628.95
Contributions	7,906.52	3,142.06
	-20,578.79	**-18,371.01**
Vehicle costs		
Vehicle costs	-518,139.13	-595,236.34
	-518,139.13	**-595,236.34**
Advertising costs and travel expenses		
Advertising costs	81,773.32	101,593.97
Gifts, deductible	2,305.90	0.00
Entertainment costs	6,036.27	0.00
Hospitality costs	11,643.92	8,426.79
Hospitality, internal	0.00	4,435.30
Conference expenses	8,038.98	2,995.00
Non-deductible hospitality costs	4,990.25	3,611.48
Travel expenses, employees	-362,296.75	-431,444.65
	-477,085.39	**-552,507.19**
Delivery costs		
Outgoing shipping	230.40	0.00
Warranty expenses	7,200.00	1,100.00
	-7,430.40	**-1,100.00**
Miscellaneous operating costs		
Deductible late surcharges	1,181.50	-4.50
Refreshments	39.42	0.00
Travel expenses, third party companies	0.00	1,178.85
Operating leases, technical systems	67,254.94	119,180.65
Other operating expenses	0.00	4,617.50
Post	3,327.51	2,243.87
Telephone	60,291.82	74,972.84
Fax and internet costs	1,078.99	1,287.57
Office supplies	6,703.31	22,171.68
Magazines, books (trade publications)	4,256.48	2,986.52
Training costs	10,800.74	1,426.00
Legal and consulting costs	71,539.96	39,226.16
Accounting costs	32,219.04	18,368.98
Costs of preparing annual financial statements and auditing costs	12,525.65	8,000.00
Incidental costs arising from monetary transactions	2,329.61	1,376.01
Other office supplies	0.00	535.80
	-273,548.97	**-297,567.93**

		Amount in €	Amount in €
8	**Other interest and similar income**		€0.00
	2017/2018		**€2,600.83**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Other interest and similar income	0.00	2,483.83
	Interest income, trade tax	0.00	117.00
		0.00	**2,600.83**
9	**Interest and similar expenses**		1,878.76
	2017/2018		**€93.00**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Interest on current accounts	1,242.76	0.00
	Interest expenses, trade tax	444.00	0.00
	Interest expenses, corporation tax	192.00	0.00
	Interest expenses, related companies	0.00	93.00
		1,878.76	**93.00**
10	**Income tax**		193.01
	2017/2018		**€-13,675.02**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Trade tax, previous years	-193.01	-31.50
	Corporation tax	0.00	4,749.85
	Corporation tax for previous years	0.00	-17,744.02
	Solidarity surcharge	0.00	261.25
	Solidarity surcharge for previous years	0.00	-973.75
	Capital gains tax 25%	0.00	0.15
		193.01	**-13,675.02**
11	**Result after taxes**		€-410,077.42
	2017/2018		**€55,080.72**
12	**Other taxes**		€12,227.04
	2017/2018		**€13,347.95**
		2018/2019	**2017/2018**
		€	**€**
	Composition of item:		
	Payment of tax arrears, previous years	0.00	2,712.18
	Vehicle tax	12,227.04	10,635.77
		12,227.04	**13,347.95**
13	**Net loss/profit for the year**		€422,304.46
	2017/2018		**€-41,732.77**

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, 2019.

Financial Results

Particulars	2018– 19	2017– 18
	(EURO)	(EURO)
Total Income	NIL	NIL
Net Profit / (Loss) for the period	(5,632)	(5,040)

Operations

During the year under review, the Company has not generated any income from operations and incurred a loss of Euro 5,632.

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

Ashish Satija
Managing Director

April 5, 2019

Balance Sheet

As at 31 March 2019

			Financial year EUR	Previous year EUR
ASSETS				
A.	**Current assets**			
I.	Cash-in-hand, central bank balances, bank balances and cheques		5.144,58	11.261,91
B.	Deficit not covered by equity		9.047,08	3.414,91
			14.191,66	14.676,82
EQUITY AND LIABILITIES				
A.	**Equity**			
I.	Subscribed capital		25.000,00	25.000,00
II.	Net accumulated losses - of which accumulated losses EUR 28.414,91- (EUR 23.375,07-)			
	Deficit not covered		9.047,08	3.414,91
	Book equity		0,00	0,00
B.	**Provisions**			
1.	Other provisions		3.550,00	2.800,00
C.	**Liabilities**			
1.	Trade payables - of which due within one year EUR 476,00 (EUR 547,00)	476,00		547,00
2.	Other liabilities	10.165,66		11.329,82
			10.641,66	11.876,82
	- of which to shareholders EUR 10.165,66 (EUR 10.064,86)			
	- of which taxes EUR 0,00 (EUR 1.264,96)			
	- of which due within one year EUR 10.165,66 (EUR 11.329,82)		14.191,66	14.676,82

Information below Balance Sheet as of 31. March 2019
(Convenience Translation)

Information for Identification according to Trade Register

Company's Name (Trade Register):	Birlasoft GmbH
Legal Seat:	Frankfurt am Main
Trade Register:	Handelsregister
Place of Trade Register:	Frankfurt am Main
Register-No.	81220

Information regarding Receivables and Liabilities against Shareholder
(§ 42 Abs. 3 GmbHG / § 264c Abs. 1 HGB)

The following rights and duties are due against the shareholder:

Kind of right or duty	Amount
EUR	
Liabilities	10.165,66

Balance Sheet

As at 31 March 2019

	EUR	Financial year EUR	Previous year EUR
ASSETS			
Account Description			
Cash-in-hand, central bank balances, bank balances and cheques 1210 Commerzbank #224710400		5.144,58	11.261,91
Deficit not covered by equity Equity deficit		9.047,08	3.414,91
Total Assets		14.191,66	14.676,82
EQUITY AND LIABILITIES			
Account Description			
Subscribed capital			
800 Subscribed capital		25.000,00	25.000,00
Net accumulated losses			
Net accumulated losses		34.047,08	28.414,91
Deficit not covered			
Equity deficit		9.047,08	3.414,91
Other provisions			
970 Other provisions	1.750,00		1.000,00
977 Provsns period-end closing/ audit costs	1.800,00	3.550,00	1.800,00
Trade payables			
1610 Trade pybls, no sep. rec./pybls accntng		476,00	547,00
Other liabilities			
731 Liablts shrehldr/p.(due within 1 year)	10.165,66		10.064,86
1576 Deductible input tax, 19%	0,00		822,22
1790 VAT, previous year	0.00	10.165,66	2.087,18
Total equity and liabilities		14.191,66	14.676,82

Income Statement

from 01.04.2018 to 31.03.2019

		Financial year EUR	Financial year EUR	Previous year EUR
1.	Other operating expenses			
a)	Occupancy costs	1.428,00		1.200,00
b)	Insurance premiums, fees and contributions	268,44		180,00
c)	Miscellaneous operating costs	3.834,93		3.559 05
			5.531,37	4.939,05
2.	Interest and similar expenses		100,80	100,79
3.	Net income/net loss after tax		5.632,17	5.039,84
4.	Net loss for the financial year		5.632,17	5.039,84
5.	Accumulated losses brought forward		28.414,91	23.375,07
6.	Net accumulated losses		34.047,08	28.414,91
	Occupancy costs			
	4210 Rent (immovable property)			1.428,00
	Insurance premiums, fees and contributions			
	4380 Contributions			268,44
	Miscellaneous operating costs			
	4955 Bookkeeping costs		1.646,55	
	4957 Period-end closing and audit costs		1.568,96	
	4970 Incidental monetary transaction costs		619 42	3.834,93
	Interest and similar expenses			
	2114 Interest on shareholder loans			100,80
	Net loss for the financial year			
	Net loss for the financial year			5.632,17
	Accumulated losses brought forward			
	2868 Accumulated losses brought forward			28.414,91
	Net accumulated losses			
	Net accumulated losses			34.047,08

Certificate Financial Statements

as of 31.03.2019

Attestation report on the preparation by the WirtschaftsprOfungsgesellschaft

(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 2018 to 31. March 2019 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 2019

Klug & Engelhard GmbH
WirtschaftsprOfungsgesellschaft
Steuerberatungsgesellschaft

Cornelia Dorr
wirtschaftspruferin
Steuerberaterin

Birlasoft Solutions Inc.

(Erstwhile KPIT Infosystems Incorporated)
Registered Office: 399, Thornall Street, Edison, NJ 08837, USA.

Board's Report

Dear Shareholders,

Your Board of Directors is pleased to present herewith the Eighteenth report of the Directors on the operations of the Company together with the accounts for the financial year ended March 31, 2019.

Financial Results

Particulars	2018-19 USD (Million)	2017-18 USD (Million)
Total Income	216.11	231.47
Net Profit / (Loss) for the period	6.34	7.85

Operations

During the year under review, income of the Company decreased by 6.63% resulting in decrease in net profit by 19,24%.

Name Change

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

Change in Board of Directors

Consequent upon the merger of the parent Company with Birlasoft (India) Limited, Mr, Kishor Patil, Mr. Sachin Tikekar, Mr. Ajay Bhagwat, and Dr. Masaru Igarashi, resigned from their positions as directors of the Company w.e.f. January 15, 2019 and Mr. Anjan Lahiri and Mr. Dharmander Kapoor were appointed as Directors w.e.f. January 15, 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 Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Balance Sheet

31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	577,708	752,425
Other Intangible assets	2B	14,363	226,880
Intangible assets under development		-	12,823
Financial assets			
Investments	3	39,568,832	39,568,832
Loans	4	17,596,529	56,577
Income tax assets (net)		1,851,222	1,606,884
Deferred tax assets	5	847,875	839,915
Other non-current assets	6	4,183	12,775
		60,460,712	**43,077,111**
Current assets			
Financial assets			
Trade receivables	7	48,822,953	40,694,421
Cash and cash equivalents	8	14,812,288	15,020,827
Loans	9	210,282	16,171,838
Unbilled revenue		4,034,688	7,182,348
Other financial assets	10	180	867
Other current assets	11	880,902	910,653
		68,761,293	**79,980,954**
TOTAL		**129,222,006**	**123,058,065**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	55,709,854	55,709,854
Other equity		3,989,895	(2,343,228)
		59,699,749	**53,366,626**
Non-current liabilities			
Financial liabilities			
Borrowings	13	3,900,000	-
Provisions	14	1,812,367	3,172,916
		5,712,367	**3,172,916**
Current liabilities			
Financial liabilities			
Short-term borrowings	15	-	4,212,487
Trade payables	16	38,506,706	45,571,286
Other	17	23,242,638	14,220,921
Other current liabilities	18	614,675	1,859,347
Provisions	19	517,335	654,482
Current income tax liabilities (net)		928,536	-
		63,809,890	**66,518,523**
TOTAL		**129,222,006**	**123,058,065**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 27		

For and on behalf of the Board of Directors of

Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
Revenue from operations	20	213,407,303	231,189,598
Other income	21	2,701,473	275,707
Total income		**216,108,776**	**231,465,305**
Expenses			
Employee benefits expense	22	84,891,794	92,404,477
Finance costs	23	12,322	133,818
Depreciation and amortization	2	521,564	486,161
Other expenses	24	124,067,990	127,069,223
Total expenses		**209,493,670**	**220,093,679**
Profit before tax		**6,615,106**	**11,371,626**
Tax expenses			
Current tax		920,659	3,179,830
Deferred tax		(638,676)	343,704
Total tax expense		**281,983**	**3,523,534**
Profit for the year		**6,333,123**	**7,848,092**
Other comprehensive income		-	-
Total comprehensive income		**6,333,123**	**7,848,092**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 27		

For and on behalf of the Board of Directors of

Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Amount in USD)

A	Equity share capital	Amount
	Balance as at 1 April 2017	55,709,854
	Changes in equity share capital during 2017-18	-
	Balance as at 31 March 2018	55,709,854
	Changes in equity share capital during 2018-19	-
	Balance as at 31 March 2019	55,709,854

B Other equity

	Reserves & surplus			Total
	Capital Reserve	General reserve	Retained earnings	
Balance as on 01 April 2017	**31,780**	**(33,965,293)**	**25,694,446**	**(8,239,067)**
Profit for the year	-	-	7,848,092	7,848,092
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**7,848,092**	**7,848,092**
Balance as on 31 March 2018	**31,780**	**(33,965,293)**	**33,542,538**	**(390,975)**
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**

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 of

Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Statement of Cash Flow

for the year ended on 31 March 2019

(Amount in USD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period	6,333,123	7,848,092
Adjustments for		
Income tax expense	281,983	3,523,534
Profit/Loss on sale of Plant, property and equipment (net)	1,660	2,549
Depreciation / Amortization	521,564	486,161
Interest expense	12,322	133,818
Interest income	(260,354)	(252,757)
Bad debts written off	32,704	(291,993)
Provision for doubtful debts, unbilled revenue and advances (net)	173,128	467,285
Unrealised foreign exchange Loss	(5,026)	2,835
Operating Profit before working capital changes	**7,091,104**	**11,919,524**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(5,192,314)	(4,891,206)
Loans, other financials assets and other assets	(12,592,447)	87,096
Trade Payables	(7,053,944)	324,649
Other financial liabilities, other liabilities and provisions	9,274,664	3,638,138
Cash generated from operations	(8,472,937)	11,078,201
Taxes Paid	(236,461)	(9,463,799)
Net cash from operating activities (A)	**(8,709,398)**	**1,614,402**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Plant, property and Equipments	(130,448)	(227,556)
Loan (given to) / repaid by related parties	10,653,175	(5,773)
Interest received	660,260	238,730
Net Cash from /(used in) investing activities (B)	**11,181,327**	**5,401**
C] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Working Capital loan (Net)	(4,212,487)	12,487
Loan taken / (repayment) from bank	-	(1,024)
Loan (given to) / repaid by related parties	1,591,512	(3,600,000)
Interest and finance charges	(59,492)	(113,673)
Net cash from /(used in) financing activities (C)	**(2,680,467)**	**(3,702,210)**
Net Increase / (decrease) in cash and cash equivalents (A + B + C)	**(208,539)**	**(2,082,407)**
Cash & cash equivalents at close of the year (refer note 1 below)	14,812,288	15,020,827
Cash & cash equivalents at beginning of the year (refer note 1 below)	15,020,827	17,103,234
Cash surplus / (deficit) for the year	**(208,539)**	**(2,082,407)**
Note 1:		
Cash and cash equivalents include:		
Cash on hand	787	985
Cheques on hand	655,567	339,698
Balance with banks		
- In current accounts	14,155,934	14,680,144
Total Cash and cash equivalents	14,812,288	15,020,827
Cash and cash equivalents at the end of the year	14,812,288	15,020,827

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 Solutions Inc.

(Erstwhile KPIT Infosystems Incorporated)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Notes forming part of the financial statements

for the year ended on 31 March 2019

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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

   The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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 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.

1.9 Leases

a. Finance lease

Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease or the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to periods during the lease terms at a constant periodic rate of interest on the remaining balance of the liability.

b. Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

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. 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

1.17 Critical accounting estimates

a. Revenue recognition

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed price contracts is recognized using the proportional performance method where the price for an entire project is agreed upon for a predetermined fee before the project starts. The stage of completion is measured by reference to hours incurred till date as a percentage of total estimated hours for each contract. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

b. Income taxes

The Company's two major tax jurisdictions are India and the U.S., though the Company also files tax returns in other overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c. Property, plant and equipment Property

Plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(Amount in USD)

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

	Plant and equipment	Office Equipment	Furniture and Fixtures	Leasehold improvements	Total
Gross carrying amount as at 1 April 2017	**1,354,149**	**106,806**	**424,007**	**183,008**	**2,067,970**
Additions	164,955	5,495	10,271	-	180,721
Disposal/Retirements/ Derecognition	3,946	-	-	-	3,946
Gross carrying amount as at 31 March 2018	**1,515,158**	**112,301**	**434,278**	**183,008**	**2,244,745**
Accumulated depreciation as at 1 April 2017	**749,337**	**48,899**	**245,269**	**86,739**	**1,130,244**
Depreciation for the period	286,062	10,926	47,487	18,998	363,473
Disposal/Retirements/ Derecognition	1,397	-	-	-	1,397
Accumulated depreciation as at 31 March 2018	**1,034,002**	**59,825**	**292,756**	**105,737**	**1,492,320**
Carrying amount as at 1 April 2017	**604,812**	**57,907**	**178,738**	**96,269**	**937,726**
Carrying amount as at 31 March 2018	**481,156**	**52,476**	**141,522**	**77,271**	**752,425**
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**

	Plant and equipment	Office Equipment	Furniture and Fixtures	Leasehold improvements	Total
Accumulated depreciation as at 1 April 2018	**1,034,002**	**59,825**	**292,756**	**105,737**	**1,492,320**
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**

2B 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 2017	**219,982**	**645,351**	**865,333**
Additions	62,624	604	63,228
Disposal/Retirements/Derecognition	-	-	-
Gross carrying amount as at 31 March 2018	**282,606**	**645,955**	**928,561**
Accumulated depreciation as at 1 April 2017	**-**	**578,993**	**578,993**
Depreciation for the period	82,668	40,020	122,688
Disposal/Retirements/Derecognition	-	-	-
Accumulated depreciation as at 31 March 2018	**82,668**	**619,013**	**701,681**
Carrying amount as at 1 April 2017	**219,982**	**66,358**	**286,340**
Carrying amount as at 31 March 2018	**199,938**	**26,942**	**226,880**
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 Product Development Cost	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**

(Amount in USD)

		31 March 2019	31 March 2018
3	**Non current investments**		
	Trade Investments (Unquoted)		
	Investment in shares of Findant Inc.	-	342,136
	Less : Provision for diminution in value of investment	-	(342,136)
		-	-
	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**
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 KPIT Infosystem Ltd.	11,850,000	-
	-Loan to KPIT Technologies SOLUCOES EM INFORMATICA Ltd	650,000	-
	Loans Receivable from other than related parties - Considered good - Unsecured		
	- Security deposits	46,529	56,577
		17,596,529	**56,577**
5	**Deferred tax assets**		
	Deferred tax assets		
	-Provision for doubtful debts and advances	120,244	110,221
	-Provision for leave encashment	613,233	796,733
	-Provision for Onerous contract	110,538	2,725
	-Others	151,475	53,853
		995,490	963,532
	Deferred tax liabilities		
	-Prepaid Expenses	81,171	-
	-Provision for depreciation	55,229	123,617
	-Interest on loan - Intercompany	11,215	-
		147,615	123,617
	Net deferred tax asset	**847,875**	**839,915**
6	**Other non-current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	4,183	12,775
		4,183	**12,775**

(Amount in USD)

		31 March 2019	31 March 2018
7	**Trade receivables**		
	Trade Receivables considered good - Unsecured	49,541,124	41,211,416
	Trade Receivables - credit impaired	-	-
		49,541,124	41,211,416
	Less: Allowances for bad and doubtful trade receivables	718,171	516,995
		48,822,953	**40,694,421**
8	**Cash and cash equivalents**		
	Cash and cash equivalents		
	- Cash on hand	787	985
	- Cheques on hand	655,567	339,698
	Balances with banks		
	- In current accounts	14,155,934	14,680,144
		14,812,288	**15,020,827**
9	**Current Loans**		
	Loans Receivable from related parties (Refer note 26) - Considered good - Unsecured		
	- Loan to Sparta Consulting Inc., USA	63,826	16,149,219
	-Loan to KPIT Infosystem Ltd.	128,071	
	-Loan to KPIT Technologies SOLUCOES EM INFORMATICA Ltd	4,623	-
	- Dues from subsidiaries	-	17,001
	Loans Receivable from other than related parties - Considered good - Unsecured		
	- Security deposits	13,762	5,618
		210,282	16,171,838
10	**Other current financials assets**		
	(Unsecured, considered good unless otherwise stated)		
	Interest accrued on Fixed Deposit	180	867
		180	**867**
11	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	150,845	317,778
	Advance to suppliers	61,912	23,750
	Prepaid expenses	405,674	569,125
	Balances with statutory authorities	62,363	-
	Others	200,108	-
		880,902	**910,653**
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**

(Amount in USD)

		31 March 2019	31 March 2018
13	**Non current borrowings**		
	Loans from related parties		
	- Loan from Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)	3,900,000.00	-
		3,900,000	**-**
14	**Non current Provisions**		
	Provision for employee benefits		
	- Compensated Absences	1,812,367	3,172,916
		1,812,367	**3,172,916**
15	**Current borrowings**		
	Loans repayable on demand		
	- From banks (Secured)		
	Working capital loans from banks (secured)	-	4,212,487
		-	**4,212,487**
16	**Trade payables**		
	Total outstanding dues of creditors	38,506,706	45,571,286
		38,506,706	**45,571,286**
17	**Other current financial liabilities**		
	Current maturities of long term debt:		
	- Loan from Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)	91,512	2,447,170
	- Current maturities of finance lease obligations	-	1,028
	Other than trade payables :		
	Accrued employee costs	3,097,296	3,911,963
	Payables in respect of fixed assets	-	8,941
	Payable to related parties (Refer Note 26)	20,044,884	7,842,873
	Security deposits	8,946	8,946
		23,242,638	**14,220,921**
18	**Other current liabilities**		
	Unearned revenue	218,620	1,532,294
	Statutory remittances	396,055	326,991
	Others	-	62
		614,675	**1,859,347**
19	**Current provisions**		
	Provision for employee benefit		
	- Compensated Absences	517,335	641,801
	Provision for Onerous Contracts	-	12,681
		517,335	**654,482**
20	**Revenue from operations**		
	Software services	213,407,303	231,189,598
		213,407,303	**231,189,598**

(Amount in USD)

		31 March 2019	31 March 2018
21	**Other income**		
	Interest income	260,354	252,757
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	2,441,119	22,950
		2,701,473	**275,707**
22	**Employee benefits expense**		
	Salaries, wages and incentives	84,802,823	92,289,303
	Staff welfare expenses	88,971	115,174
		84,891,794	**92,404,477**
23	**Finance costs**		
	Interest expense	**12,322**	**133,818**
		12,322	**133,818**
24	**Other expenses**		
	Travel and overseas expenses (net)	4,645,823	3,799,046
	Transport and conveyance (net)	827,880	357,290
	Cost of service delivery (net)	91,854,567	98,825,843
	Cost of professional sub-contracting (net)	16,043,634	17,263,128
	Recruitment and training expenses	247,603	279,136
	Power and fuel	41,000	33,849
	Rent	952,187	821,317
	Repairs and maintenance		
	- plant & equipment	70,473	190,273
	- others	38,100	24,298
	Insurance	171,950	-
	Rates & taxes	187,992	227,125
	Communication expenses (net)	1,369,387	1,308,700
	Legal and professional fees	4,268,806	910,929
	Marketing expenses	2,343,756	2,111,246
	Loss on sale of fixed assets(net)	1,660	2,549
	Foreign exchange loss (net)	27,217	50,917
	Printing & stationery	14,205	13,246
	Bad debts written off	32,704	(291,993)
	Provision for doubtful debts, unbilled revenue and advances (net)	173,128	467,285
	Miscellaneous expenses (net)	755,918	675,039
		124,067,990	**127,069,223**

Note:

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

25 Contingent liabilities and Commitments

The Company has no contingent liabilities and commitments as at 31 March 2019.

26 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 (Direct holding)	Sparta Consulting Inc. USA
	KPIT Technologies Soluções EM Informática Ltda. (Erstwhile KPIT Infosystem (Brasil) Servicos De Technologia e Participacoes Ltda)
Fellow Subsidiary Companies	Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation)
	KPIT Technologies France
	Birlasoft Computer Corporation (Erstwhile SYSTIME Computer Corporation),USA
	KPIT Solutions GmbH (Erstwhile HD Solutions GmbH, Germany)
	KPIT Infosystems ME FZE, Dubai
	KPIT Infosystems Limited,UK
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT (Shanghai) Software Technology Co. Limited, China
	KPIT Technologies Netherlands B.V.
	KPIT Technologies (UK) Ltd
	KPIT Infosystems Limited Filial UK, Sweden
	KPIT Technologies Inc., USA
	KPIT Technologies GK, Japan
	KPIT Technologies GmbH, Germany
	KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited)
	MicroFuzzy Industrie-Elektronic GmbH

B. Transactions with related parties

No.	Name of related party	**FY 2018-19**		FY 2017-18	
		Amount of transactions during the year (USD)	**Balance as on 31 March 2019 Debit/(Credit) (USD)**	Amount of transactions during the year (USD)	Balance as on 31 March 2018 Debit/(Credit) (USD)
1	**Birlasoft Limied, India (Erstwhile KPIT Technologies Limited)**				
	Repayment of loan (including interest)	**NIL**	**NIL**	6,121,705	NIL
	Interest expenses	**NIL**		104,285	
	Sale of Software Services	**54,606**	**3,584**	734,668	514,163
	Software service charges	**67,595,682**	**(11,706,186)**	76,440,947	(27,930,590)
	Advance received (net)	**NIL**		525,837	
	Advance given (net)	**(332,151)**		NIL	
	Guarantee Fees	**(50,000)**	**(116,142)**	(50,000)	(298,786)
	Reimbursement of expenses (net)	**28,714**		(4,193,882)	
2	**Sparta Consulting Inc. USA**				
	Sale of Software Services	**5,127,484**	**2,828,165**	5,510,279	1,215,076
	Software service charges	**3,354,661**	**(2,285,276)**	1,702,034	(751,900)
	Repayment of loan (including interest)	**11,243,347**	**5,113,826**	386,059	16,149,219
	Interest income	**207,955**		399,218	
	Investment in equity	**NIL**	**38,098,832**	NIL	38,098,832
	Advance received (net)	**NIL**		4,757,899	
	Advance given (net)	**(8,959)**	**(388,325)**	NIL	(7,060,392)
	Reimbursement of expenses (net)	**(3,325,819)**		(2,682,393)	
3	**KPIT Technologies Netherlands B.V.**				
	Software service charges	**256,877**	**(92,713)**	401,223	(43,576)
	Sale of Software Services	**11,984**	**9,500**	9,369	4,328
4	**Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation)**				
	Loan Received	**1,500,000**	**(3,991,512)**	2,400,000	(2,447,170)
	Interest expenses	**91,512**		47,170	
	Advance received (net)	**8,065**		115	
	Reimbursement of expenses	**12,456**	**4,340**	9,793	406
	Sale of Software Services	**741,765**	**180,374**	460,332	87,773
	Software service charges	**423,729**	**(255,426)**	550,541	(35,368)
5	**KPIT Technologies France**				
	Sale of Software Services	**52,446**	**46,214**	25,781	45,962
	Software service charges	**38,258**	**(24,136)**	2,010	14,123

No.	Name of related party	FY 2018-19		FY 2017-18	
		Amount of transactions during the year (USD)	Balance as on 31 March 2019 Debit/(Credit) (USD)	Amount of transactions during the year (USD)	Balance as on 31 March 2018 Debit/(Credit) (USD)
6	**Birlasoft Computer Corporation (Erstwhile SYSTIME Computer Corporation), USA**				
	Software service charges	14,600,849	(16,091,565)	17,043,703	(10,735,270)
	Sale of Software Services	2,540,702	1,513,600	3,374,435	483,388
	Advance received (net)	595,665	243,931	5,302,383	(467,339)
	Reimbursement of expenses (net)	6,997		(2,435,811)	
7	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Sale of Software Services	1,178	1,489	1,407	32,890
	Software service charges	225,859	(52,922)	246,509	(37,347)
	Reimbursement of expenses (net)	NIL	NIL	NIL	648
8	**KPIT Infosystems ME FZE (Australia Branch)**				
	Sale of Software Services	232	232	NIL	NIL
	Software service charges	7,588	3,939	1,481	164
9	**KPIT Infosystems ME FZE (Korea Branch)**				
	Software service charges	182,267	(22,193)	259,237	(26,693)
	Sale of Software Services	158	158	NIL	NIL
10	**KPIT Technologies (UK) Ltd**				
	Sale of Software Services	81,596	124,657	175,580	6,956
	Reimbursement of expenses	NIL	20,439	2,191	(408)
	Advance received (net)	20,439		4,065	
	Software service charges	897,747	(298,326)	1,326,949	(112,336)
11	**KPIT Infosystems Limited Filial UK, Sweden**				
	Sale of Software Services	501	1,154	653	653
	Software service charges	563	NIL	94	1,317
12	**KPIT Technologies Soluções EM Informática Ltda. (erstwhile KPIT Infosystem (Brasil) Servicos De Technologia e Participacoes Ltda)**				
	Software service charges	864,971	(77,536)	758,229	(73,138)
	Loans receivable	650,000	654,623	NIL	NIL
	Interest Income	4,623		NIL	NIL
	Investment in equity	NIL	1,470,000	NIL	1,470,000
13	**KPIT Technologies GmbH, Germany**				
	Software service charges	970,274	(203,998)	991,191	(216,891)
	Sale of Software Services	135,953	309,911	355,474	173,958
14	**KPIT Solutions GmbH (erstwhile HD Solutions GmbH, Germany)**				
	Sale of Software Services	17,630	43,818	NIL	26,188
	Software service charges	NIL	(41,862)	34,190	(41,862)
15	**MicroFuzzy Industrie-Elektronic GmbH**				
	Software service charges	375,980	(172,348)	NIL	NIL
	Sale of Software Services	1,244	1,244	87	NIL
16	**KPIT Infosystems Limited, UK**				
	Software service charges	332,545	(331,791)	NA	NA
	Sale of Software Services	30,509	NIL	NA	NA
	Loan given	13,850,000	11,978,071	NA	NA
	Repayment of loan	2,000,000		NA	NA
	Interest Income	128,071		NA	NA
17	**KPIT Technologies Inc., USA**				
	Software service charges	3,032,923	(3,032,923)	NA	NA
	Sale of Software Services	3,853,903	17,043,788	NA	NA
	Investment in equity	10,081,511	NIL	NA	NA
	Advance received (net)	(21,197,119)	(19,809,126)	NA	NA
	Reimbursement of expenses	3,198,438		NA	NA
18	**KPIT Technologies GK, Japan**				
	Software service charges	25,590	(25,590)	NA	NA
	Sale of Software Services	103,758	115,063	NA	NA
19	**KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited)**				
	Software service charges	336,762	(345,975)	NA	NA
20	**KPIT Technologies Holding Inc (US)**				
	Sale of Investment in equity of KPIT Technologies Inc.	10,081,511	NIL	NA	NA

27 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 of

Birlasoft Solutions Inc.
(Erstwhile KPIT Infosystems Incorporated)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Sparta Consulting Inc.

Registered Office: 111 Woodmere Road, Suite 200, Folsom, California 95630, 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, 2019.

Financial Results

Particulars	2018-19 USD (Million)	2017-18 USD (Million)
Total Income	79.57	92.59
Net Profit / (Loss) for the period	3.29	(2.52

Operations

During the year under review, the total income of the Company has decreased by 14.06% but due to decrease in operational cost the Company earned profits worth USD 3.29 million.

Change in Board of Directors

Consequent upon the merger of the parent Company with Birlasoft (India) Limited, Mr, Kishor Patil and Mr. Sachin Tikekar, resigned from their positions as directors of the Company w.e.f. January 15, 2019 and Mr. Anjan Lahiri and Mr. Dharmander Kapoor were appointed as Directors w.e.f. January 15, 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
Sparta Consulting Inc.

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Balance Sheet

as at 31 March 2019

(Currency - USD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	103,517	156,800
Other intangible assets	2C	376,964	1,209,836
Financial assets			
Loans	3	16,196	16,198
Income tax assets (net)		-	97,340
Deferred tax assets	4	1,116,625	1,133,155
		1,613,302	**2,613,329**
Current assets			
Financial assets			
Trade receivables	5	18,196,181	15,242,039
Cash and cash equivalents	6	7,244,998	6,724,403
Loans	7	422,052	7,177,555
Unbilled revenue		1,096,998	3,860,043
Other current assets	8	142,326	305,608
		27,102,555	**33,309,648**
TOTAL		**28,715,857**	**35,922,977**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	5,105,200	5,105,200
Other equity		3,878,759	588,691
		8,983,959	**5,693,891**
Non-current liabilities			
Financial liabilities			
Borrowings	10A	5,050,000	-
Provisions	10B	803,357	1,223,390
		5,853,357	**1,223,390**
Current liabilities			
Financial liabilities			
Trade payables	11	11,550,390	8,811,405
Other	12	1,276,259	19,223,248
Other current liabilities	13	333,980	608,633
Provisions	14	267,671	362,410
Current income tax liabilities (net)		450,241	-
		13,878,541	**29,005,696**
	TOTAL	**28,715,857**	**35,922,977**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 22		

As per our report of even date attached

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

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Currency - USD)

	Note	31 March 2019	31 March 2018
Revenue from operations			
Sale of services	15	79,521,850	92,514,007
Other income	16	49,226	72,222
Total income		**79,571,076**	**92,586,229**
Expenses			
Employee benefits expense	17	32,850,018	41,757,551
Finance costs	18	207,957	407,117
Depreciation and amortization	2	889,329	456,058
Other expenses	19	41,738,180	52,040,509
Total expenses		**75,685,484**	**94,661,235**
Profit/(Loss) before tax		**3,885,592**	**(2,075,006)**
Tax expenses			
Current tax		578,995	(3,294,090)
Deferred tax		16,529	3,740,151
Total tax expense		**595,524**	**446,061**
Profit/(Loss) for the year		**3,290,068**	**(2,521,067)**
Other comprehensive income		-	-
Total comprehensive income/(loss)		**3,290,068**	**(2,521,067)**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 22		

As per our report of even date attached

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

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Currency - USD)

A	**Equity share capital**	**Amount**
	Balance as at 1 April 2017	5,105,200
	Changes in equity share capital during 2017-18	-
	Balance as at 31 March 2018	5,105,200
	Changes in equity share capital during 2018-19	-
	Balance as at 31 March 2019	**5,105,200**

B Other equity

Particulars	Retained earnings	Total
Balance as on 01 April 2017	**3,109,758**	**3,109,758**
(Loss) for the year	(2,521,067)	(2,521,067)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(2,521,067)**	**(2,521,067)**
Balance as on 31 March 2018	**588,691**	**588,691**
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**

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

As per our report of even date attached

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

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of Cash Flows

for the year ended on 31 March 2019

(Currency - USD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period	3,290,068	(2,521,067)
Adjustments for		
Loss on sale of Property,plant and Equipment (net)	-	3,627
Unrealised Forex Gain/(Loss)	-	(3,098)
Provision for doubful debts	526,580	(9,735,123)
Bad debts written off	-	12,390,866
Income tax expense	595,524	446,061
Depreciation / Amortization	889,329	456,058
Interest expense	207,957	407,117
Interest income	(49,226)	(816)
Operating Profit before working capital changes	**5,460,232**	**1,443,625**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(717,677)	9,478,787
Loans, other financials assets and other assets	6,918,787	(7,370,431)
Trade Payables	2,738,985	(5,090,093)
Other financial liabilities, other liabilities and provisions	(18,736,414)	(2,671,981)
Cash generated from operations	(4,336,087)	(4,210,093)
Taxes Paid	(31,414)	7,381,032
Net cash from / (used in) operating activities	**(4,367,501)**	**3,170,939**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	(3,174)	(30,854)
Net Cash from / (used in) investing activities (B)	**(3,174)**	**(30,854)**
C] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayments) of Long term loan from other than banks	5,050,000	(750,000)
Interest and finance charges	(158,731)	(415,187)
Net cash from / (used in) financing activities (C)	**4,891,269**	**(1,165,187)**
Net Increase / (decrease) in cash and cash equivalents (A + B+ C)	**520,594**	**1,974,898**
Cash & cash equivalents at close of the year (refer note 1 below)	7,244,998	6,724,403
Cash & cash equivalents at beginning of the year (refer note 1 below)	6,724,403	4,749,505
Cash surplus / (deficit) for the year	**520,595**	**1,974,898**
Note 1:		
Cash and cash equivalents include:		
Cheques in hand	3,510,278	3,018,022
Balance with banks		
- In current accounts	3,734,720	3,706,381
Total Cash and cash equivalents	**7,244,998**	**6,724,403**

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.

As per our report of even date attached

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

Director **Director**

Place: New Delhi

Date: 24 May 2019

Notes forming part of the financial statements

for the year ended on 31 March 2019

Company Overview

Sparta Consulting Inc. is a Company incorporated in the state of California, USA. The Company is a wholly owned subsidiary of KPIT Infosystems 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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements."

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

1.10 Leases

a. **Finance lease**

Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease or the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to periods during the lease terms at a constant periodic rate of interest on the remaining balance of the liability.

b. **Operating lease**

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

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.

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.

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.

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.

(Currency - 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 2017	**32,643**	**373,124**	**145,053**	**736,561**	**1,287,381**
Other additions	-	3,645	-	15,486	19,132
Less: Disposal/ retirements/ derecognition	-	-	17,847	-	17,847
Gross carrying amount as at 31 March 2018	**32,643**	**376,769**	**127,206**	**752,047**	**1,288,666**
Accumulated depreciation as at 1 April 2017	**32,643**	**281,221**	**109,669**	**645,306**	**1,068,839**
Depreciation	-	49,173	11,263	16,813	77,248
Disposal/retirements/ derecognition	-	-	14,221	-	14,221
Accumulated depreciation as at 31 March 2018	**32,643**	**330,394**	**106,711**	**662,119**	**1,131,866**
Carrying amount as at 1 April 2017	**-**	**91,903**	**35,384**	**91,255**	**218,542**
Carrying amount as at 31 March 2018	**-**	**46,375**	**20,495**	**89,928**	**156,800**
Gross carrying amount as at 1 April 2018	**32,643**	**376,769**	**127,206**	**752,047**	**1,288,665**
Additions on account of merger	-	-	-	-	-
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**	**1,290,995**
Accumulated depreciation as at 1 April 2018	**32,643**	**330,394**	**106,711**	**662,119**	**1,131,867**
Additions on account of merger	-	-	-	-	-
Depreciation	-	29,453	9,415	17,568	56,436
Disposal/retirements/ derecognition	-	824	-	-	824
Carrying amount as at 1 April 2018	**-**	**46,375**	**20,495**	**89,928**	**156,798**
Carrying amount as at 31 March 2019	**-**	**18,122**	**12,773**	**72,621**	**103,516**

2B 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 2017	**2,642,935**	**215,385**	**2,858,319**
Other additions	1,086,802	-	1,086,802
Less: Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2018	**3,729,737**	**215,385**	**3,945,121**
Accumulated depreciation as at 1 April 2017	**2,141,910**	**214,565**	**2,356,475**
Depreciation	378,293	516	378,810
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2018	**2,520,203**	**215,081**	**2,735,285**
Carrying amount as at 1 April 2017	**501,025**	**820**	**501,844**
Carrying amount as at 31 March 2018	**1,209,534**	**304**	**1,209,836**
Gross carrying amount as at 1 April 2018	**3,729,737**	**215,385**	**3,945,121**
Other additions	20	-	20
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2019	**3,729,757**	**215,385**	**3,945,141**
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**	**1,209,837**
Carrying amount as at 31 March 2019	**376,883**	**82**	**376,964**

(Currency - USD)

		31 March 2019	31 March 2018
3	**Loans**		
	Loans Receivable from other than related parties - Considered good - Unsecured		
	Security deposits	16,196	16,198
		16,196	**16,198**
4	**Deferred tax assets**		
	-Provision for depreciation	403,312	155,273
	-Provision for doubtful debts and advances	229,332	49,493
	-Provision for leave encashment	277,306	316,367
	-Accrued Marketing Cost		
	-Accrued Payroll	39,006	
	-Accrued Expenses	112,585	117,613
	-Payable to Subcontractor	19,007	
	-Others	38,132	494,409
		1,118,680	**1,133,155**
	Deferred tax liabilities		
	-Prepaid Expenses	2,055	-
		2,055	**-**
	Net deferred tax asset	**1,116,625**	**1,133,155.00**

(Currency - USD)

		31 March 2019	31 March 2018
5	**Trade receivables**		
	Trade Receivables considered good - Unsecured	19,038,259	15,557,537
	Trade Receivables - credit impaired	-	-
		19,038,259	**15,557,537**
	Less: Allowance for bad and doubtful trade receivables	842,078	315,498
		18,196,181	**15,242,039**
6	**Cash and cash equivalents**		
	Cheques in hand	3,510,278	3,018,022
	Balances with banks		
	- In current accounts	3,734,720	3,706,381
		7,244,998	**6,724,403**
7	**Current loans and advances**		
	Loans Receivable from related parties (Refer note 21) - Considered good - Unsecured		
	- Dues from Related Parties	391,272	7,060,392
	Loans Receivable from other than related parties - Considered good - Unsecured		
	- Security deposits	30,780	117,163
		422,052	**7,177,555**
8	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Advance rentals	-	206
	Employee advances	5,667	5,517
	Advance to suppliers	86,699	47,860
	Prepaid expenses	17,138	196,069
	Balances with statutory authorities	2,850	-
	Others	29,972	55,956
		142,326	**305,608**
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**
10A	**Non current borrowings**		
	Loans and advances from related parties (Unsecured)		
	Loan from Birlasoft Solutions Inc. (Formerly known as KPIT Infosystems Incorporated, USA)	5,050,000.00	-
		5,050,000.00	**-**
10B	**Non current provisions**		
	Provision for employee benefits		
	- Compensated Absences	803,357	1,223,390
		803,357	**1,223,390**
11	**Trade payables**		
	Trade payables	11,550,390	8,811,405
		11,550,390	**8,811,405**
12	**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	16,149,219
	Other than trade payables :		
	Accrued employee costs	1,212,433	1,881,503
	Payable to related parties (Refer Note 21)	-	1,192,526
		1,276,259	**19,223,248**

(Currency - USD)

		31 March 2019	31 March 2018
13	**Other current liabilities**		
	Unearned revenue	149,693	311,729
	Statutory remittances	184,287	296,904
		333,980	**608,633**
14	**Current provisions**		
	Provision for employee benefit		
	- Compensated Absences	267,671	362,410
		267,671	**362,410**
15	**Revenue from Operations**		
	Software services	79,521,850	92,514,007
		79,521,850	**92,514,007**
16	**Other income**		
	Interest income	213	816
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	49,013	71,406
		49,226	**72,222**
17	**Employee benefits expense**		
	Salaries, wages and incentives	32,781,883	41,610,980
	Staff welfare expenses	68,135	146,571
		32,850,018	**41,757,551**
18	**Finance costs**		
	Interest expense	207,957	407,117
		207,957	**407,117**
19	**Other expenses**		
	Travel and overseas expenses (net)	5,189,699	7,065,997
	Transport and conveyance (net)	534,535	574,487
	Cost of service delivery (net)	17,935,639	18,253,860
	Cost of professional sub-contracting (net)	16,060,519	19,066,562
	Recruitment and training expenses	102,660	443,643
	Power and fuel	7,123	8,250
	Rent	137,630	197,693
	Repairs and maintenance -		
	- buildings	-	3,909
	- plant & equipment	8,418	17,088
	- others	2,624	3,948
	Insurance	-	1,475
	Rates & taxes	21,747	26,499
	Communication expenses (net)	140,000	129,714
	Legal and professional fees	614,889	3,086,849
	Marketing expenses	246,618	282,948
	Foreign exchange loss (Net)	4,396	38,006
	Loss on sale of fixed assets(net)	-	3,627
	Printing & stationery	32,688	7,770
	Bad debts written off	-	12,390,866
	Provision for doubtful debts, unbilled revenue and advances (net)	526,580	(9,735,123)
	Miscellaneous expenses (net)	172,415	172,441
		41,738,180	**52,040,509**

20 Contingent liabilities

The Company has no liabilities of contingent nature outstanding as at 31 March 2019.

21 Related party disclosures

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)
	KPIT Solutions GmbH (Erstwhile HD Solutions GmbH, Germany)
	KPIT Technologies Soluções EM Informática Ltda.
	KPIT Infosystems Limited,UK
	KPIT Technologies France
Entities jointly controlled by a Group having joint control over the reporting entity	KPIT (Shanghai) Software Technology Co. Limited, China
	KPIT Technologies (UK) Ltd
	KPIT Technologies GmbH, Germany
	KPIT Infosystems Limited Filial UK, Sweden
	KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited)
	MicroFuzzy Industrie-Elektronic GmbH
	KPIT Technologies Inc,USA
	KPIT Technologies GK, Japan

B. Transactions with related parties

No.	Name of related party	**Amount of transaction 2018-19 (USD)**	**Balance as at 31 March 2019 (USD)**	Amount of transaction 2017-18 (USD)	Balance as at 31 March 2018 (USD)
1	**Birlasoft Limited (Erstwhile KPIT Technologies Limited, India)**				
	Software service charges	14,390,104	-6,167,108	22,226,085	(3,533,900)
	Advance received (net)	NIL	NIL	26,321	(1,096,513)
	Reimbursement of expenses	NIL		(1,106,243)	
2	**Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation, Canada)**				
	Software service charges	113,905	1,089	183,777	(15,389)
	Sale of software services	154,206	76,426	87,255	16,695
	Repayment of loan (including interest)	NIL	NIL	778,930	NIL
	Interest expense	NIL		7,700	
3	**KPIT Infosystems Incorporated, USA**				
	Sale of software services	3,354,661	2,285,276	1,702,034	751,900
	Software service charges	5,127,484	-2,828,165	5,510,279	(1,215,076)
	Advance received (net)	7,215	388,325	4,757,899	7,060,392
	Reimbursement of expenses	3,341,994		2,682,393	
	Repayment of loan (including interest)	11,243,347	-5,113,826	386,059	(16,149,219)
	Interest expense	207,955		399,218	
4	**SYSTIME Computer Corporation, USA**				
	Reimbursement of expenses	1,739	2,847	(98,138)	(96,013)
	Advance received (net)	2,847		NIL	
	Sale of software services	750,238	414,685	1,225,711	48,376
	Software service charges	301,665	-282,618	491,811	(17,775)
5	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Software service charges	-93	NIL	32,936	(5,363)
6	**KPIT Technologies (UK) Ltd**				
	Software service charges	1,672	5,220	4,863	6,891
	Sale of software services	91,145	67,491	1,092,761	NIL
7	**KPIT Infosystems Limited Filial UK, Sweden**				
	Sale of software services	1,276	12,924	11,648	11,648
8	**KPIT Technologies Soluções EM Informática Ltda.**				
	Software service charges	76,703	NIL	138,437	(11,109)
9	**KPIT Technologies GmbH, Germany**				
	Software service charges	17,088	1,241	16,512	(7,515)
	Sale of software services	13,377	8,645	11,735	9,895
10	**KPIT Technologies France**				
	Sale of software services	NIL	NIL	144,981	144,981
11	**MicroFuzzy Industrie-Elektronic GmbH**				
	Software service charges	NIL	NIL	594,890	(160,158)
12	**KPIT Technologies Inc.**				
	Sale of software services	45,923	125,495	NIL	NIL
	Reimbursement of expenses	79,572		NIL	NIL
13	**KPIT Solutions GmbH**				
	Sale of software services	7,099	7,099	NIL	NIL
14	**KPIT Technologies Limited, India (Erstwhile KPIT Engineering Limited)**				
	Advance received (net)	9,308	NIL	NA	NA
	Reimbursement of expenses	389		NA	NA
15	**KPIT Infosystems Limited,UK**				
	Sale of software services	111	68	NA	NA

22 Events after the reporting period

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

As per our report of even date attached

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

Director **Director**

Place: New Delhi

Date: 24 May 2019

Birlasoft Computer Corporation, USA

(Erstwhile SYSTIME Computer Corporation, USA)
Registered Office: 399, Thornall Street, Edison, NJ 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, 2019.

Financial Results

Particulars	2018-19 USD (Million)	2017-18 USD (Million)
Total Income	38.54	44.50
Net Profit / (Loss) for the period	0.25	1.24

Operations

During the year under review, total income of the Company has declined by 13.39% and net profit has decreased by 79.83%.

Change in Board of Directors

Consequent upon the merger of the parent Company with Birlasoft (India) Limited, Mr, Kishor Patil, Mr. Sachin Tikekar and Mr. Anil Patwardhan resigned from their positions as directors of the Company w.e.f. January 15, 2019 and Mr. Anjan Lahiri and Mr. Rajeev Gupta were appointed as Directors w.e.f. January 15, 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 Computer Corporation
(Erstwhile SYSTIME Computer Corporation, USA)

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Balance Sheet

as at 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	607	9,634
Intangible fixed assets	2B	270,940	24,804
Intangible assets under development		-	206,841
Financial assets			
Investments	3	1	501
Income tax assets (net)		583,836	225,646
Deferred tax assets	4	289,099	323,473
		1,144,482	**790,899**
Current assets			
Financial assets			
Trade receivables	5	23,263,559	15,478,379
Cash and cash equivalents	6	1,704,808	3,417,520
Loans	7	-	1,054,273
Unbilled revenue		375,955	169,297
Other current assets	8	52,669	56,437
		25,396,991	**20,175,906**
TOTAL ASSETS		**26,541,473**	**20,966,805**
EQUITY AND LIABILITIES			
Equity share capital	9	110,000	110,000
Other equity		13,508,148	13,258,317
		13,618,148	**13,368,317**
Non-current liabilities			
Financial liabilities			
Borrowings	10	5,050,000	-
Provisions	10	803,357	1,223,390
		5,853,357	**1,223,390**
Liabilities			
Non-current liabilities			
Provisions	10	261,620	1,119,122
		261,620	**1,119,122**
Current liabilities			
Financial liabilities			
Trade payables	11	8,119,763	4,369,794
Other financial liabilities	12	1,521,244	1,634,681
Other current liabilities	13	2,034,690	214,239
Provisions	14	986,008	233,772
Income tax liabilities (net)		-	26,880
		12,661,705	**6,479,366**
TOTAL EQUITY AND LIABILITIES		**26,541,473**	**20,966,805**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 20		

For and on behalf of the Board of Directors of

Birlasoft Computer Corporation, USA
(Erstwhile SYSTIME Computer Corporation, USA)

Director **Director**

Place : New Delhi
Date : 24 May 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
Revenue from operations	15	38,284,199	44,439,442.00
Other income	16	259,661	55,922.00
Total income		**38,543,860**	**44,495,364.00**
Expenses			
Employee benefits expense	17	19,762,763	22,566,747.00
Depreciation and amortization	2	88,191	30,076.00
Other expenses	18	18,492,390	19,190,830.00
Total expenses		**38,343,344**	**41,787,653.00**
Profit before tax		**200,516**	**2,707,711.00**
Tax expenses			
Current tax		(83,690)	895,413.00
Deferred tax (benefit)/Charge		34,375	576,202.00
Total tax expense		**(49,315)**	**1,471,615.00**
Profit for the year		**249,831**	**1,236,096.00**
Other comprehensive income		-	-
Total comprehensive income/(loss)		**249,831**	**1,236,096.00**
Significant accounting policies	1		
Notes referred to above form an integral part of the financial statements	2 - 20		

For and on behalf of the Board of Directors of

Birlasoft Computer Corporation, USA
(Erstwhile SYSTIME Computer Corporation, USA)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Amount in USD)

A	Equity share capital	Amount
	Balance as at 31 March 2017	110,000
	Changes in equity share capital during 2017-18	-
	Balance as at 31 March 2018	110,000
	Changes in equity share capital during 2018-19	-
	Balance as at 31 March 2019	110,000

B Other equity

Particulars	Retained earnings	Total
Balance as on 31 March 2017	**12,022,221**	**12,022,221**
Profit for the year	1,236,096	1,236,096
Other comprehensive income	-	-
Total comprehensive income for the year	**1,236,096**	**1,236,096**
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**

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 of

Birlasoft Computer Corporation, USA
(Erstwhile SYSTIME Computer Corporation, USA)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of Cash Flow

for the year ended on 31 March 2019

(Currency - USD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	249,830	1,236,096
Adjustments for		
Income tax expense	(49,315)	1,471,615
Unrealised Forex Gain/(Loss)		1,757
Profit/Loss on sale of Property Plant and Equipment (net)	-	289
Profit/Loss on sale of Shares	249,250	
Depreciation / Amortization	88,191	30,076
Bad debts written off	-	(59,519)
Provision for doubtful debts, unbilled revenue and advances (net)	19,471	(16,413)
Interest income	(3)	(16,087)
Operating Profit before working capital changes	**557,424**	**2,647,814**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(8,011,309)	(23,693)
Loans, other financials assets and other assets	1,058,041	469,853
Trade Payables	3,749,969	(1,171,407)
Other financial liabilities, other liabilities and provisions	1,601,748	(2,739,665)
Cash generated from operations	(1,044,127)	(817,098)
Taxes Paid	(301,380)	(878,290)
Net cash from operating activities (A)	**(1,345,507)**	**(1,695,388)**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(118,458)	(206,840)
Sale of investments	(248,750)	
Loans repaid by related parties	-	1,977,998
Interest received	3	16,087
Net Cash from /(used in) investing activities (B)	**(367,205)**	**1,787,245**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**(1,712,712)**	**91,857**
Cash & cash equivalents at close of the year (refer note 1 below)	1,704,808	3,417,520
Cash & cash equivalents at beginning of the year (refer note 1 below)	3,417,520	3,325,663
Cash surplus / (deficit) for the year	**(1,712,712)**	**91,857**
Note 1:		
Cash and cash equivalents include:		
Cheques in hand	-	9,601
Balance with banks		
- In current accounts	1,704,808	3,407,919
Total Cash and cash equivalents	**1,704,808**	**3,417,520**

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 SYSTIME Computer Corporation, USA)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Notes forming part of the financial statements

for the year ended on 31 March 2019

Company Overview

Birlasoft Computer Corporation, USA (Erstwhile 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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

1. Significant Accounting Policies:

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.

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.

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.

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.

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.

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.

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

[(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.

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.

Leases

a. Finance lease

   Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease or the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to periods during the lease terms at a constant periodic rate of interest on the remaining balance of the liability.

b. Operating lease

   Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

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.

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.

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.

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.

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.

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.

Financial Instrument

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.

Subsequent measurement

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.

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.

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

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.

Critical accounting estimates

Revenue recognition

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed price contracts is recognized using the proportional performance method where the price for an entire project is agreed upon for a predetermined fee before the project starts. The stage of completion is measured by reference to hours incurred till date as a percentage of total estimated hours for each contract. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

Income taxes

The Company's two major tax jurisdictions are India and the U.S., though the Company also files tax returns in other overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced."

Property, plant and equipment Property

Plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment

(Amount in USD)

	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total
Gross carrying amount as at 1 April 2017	**174,727**	**45,000**	**13,825**	**233,552**
Other additions	-	-	-	-
Disposal/retirements/derecognition	730	-	-	730
Gross carrying amount as at 31 March 2018	**173,997**	**45,000**	**13,825**	**232,822**
Accumulated depreciation as at 1 April 2017	**148,008**	**45,000**	**12,974**	**205,982**
Depreciation	17,485	-	162	17,647
Disposal/retirements/derecognition	441	-	-	441
Accumulated depreciation as at 31 March 2018	**165,052**	**45,000**	**13,136**	**223,188**
Carrying amount as at 1 April 2017	**26,719**	**-**	**851**	**27,570**
Carrying amount as at 31 March 2018	**8,945**	**-**	**689**	**9,634**
Gross carrying amount as at 1 April 2018	**173,997**	**45,000**	**13,825**	**232,822**
Additions on account of merger	-	-	-	-
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**
Additions on account of merger	-	-	-	-
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**

2B Other intangible assets

Changes in the carrying amount of other intangible assets

	Internally Generated Product Development Cost	Total
Gross carrying amount as at 1 April 2017	37,204.00	37,204.00
Additions on account of merger	-	-
Other additions	29	29
Disposal/retirements/derecognition	-	-
Gross carrying amount as at 31 March 2018	**37,233**	**37,233**
Accumulated depreciation as at 1 April 2017	**-**	**-**
Additions on account of merger	-	-
Depreciation	12,429.00	12,429.00
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2018	**12,429.00**	**12,429.00**
Carrying amount as at 1 April 2017	**37,204.00**	**37,204.00**
Carrying amount as at 31 March 2018	**24,804**	**24,804**
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**

(Amount in USD)

		31 March 2019	31 March 2018
3	**Investment in Subsidiaries**		
	Trade Investments (Unquoted)		
	Investments in equity instruments of subsidiaries (at cost)		
	MICROFUZZY KPIT TECNOLOGIA LTDA	-	500
	(erstwhile SYSTIME Global Solutions LtdA, Brazil)		
	Nil (Previous year 1,000) shares of BRL 1 each		
	Birlasoft Technologies Canada Corporation	1	1
	(Formerly KPIT Technologies Corporation)		
	1 (Previous year 1) common share of CAD 1 each		
		1	**501**
4	**Deferred tax assets**		
	Deferred tax assets		
	-Provision for leave encashment	255,357	295,957
	-Bad debts reserve	14,526	15,323
	-Others	47,817	18,873
	-Commission and Bonus Payable	1,942	-
	-Loss	25,175	-
		344,817	**330,153**
	Deferred tax liabilities		
	-Provision for depreciation	55,718	6,680
		55,718	**6,680**
	Net deferred tax asset	**289,099**	**323,473**
5	**Trade receivables**		
	Trade Receivables considered good - Secured	-	-
	Trade Receivables considered good - Unsecured	23,341,094	15,575,385
	Trade Receivables - credit impaired	-	-
		23,341,094	**15,575,385**
	Less: Allowances for bad and doubtful trade receivables	77,535	97,006
		23,263,559	**15,478,379**
6	**Cash and cash equivalents**		
	Cash and cash equivalents		
	Cheques in hand	-	9,601
	Balances with banks		
	- In current accounts	1,704,808	3,407,919
		1,704,808	**3,417,520**
7	**Loans**		
	Loans Receivable from related parties (Refer note 20) - Considered good - Unsecured		
	- Dues from related parties	-	1,054,273
		-	**1,054,273**
8	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	50,007	53,258
	Advance to suppliers	2,662	3,179
		52,669	**56,437**

(Amount in USD)

		31 March 2019	31 March 2018
9	**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**
10	**Provisions**		
	Provision for employee benefits		
	- Compensated Absences	261,620	1,119,122
		261,620	**1,119,122**
11	**Trade payables**		
	Total outstanding dues of trade payables	8,119,763	4,369,794
		8,119,763	**4,369,794**
12	**Other current financial liabilities**		
	Other than trade payables :		
	Accrued employee costs	1,273,709	1,634,681
	Payable to related parties (Refer Note 20)	247,535	-
		1,521,244	**1,634,681**
13	**Other current liabilities**		
	Unearned revenue	1,881,678	56,160
	Statutory remittances	153,012	158,079
		2,034,690	**214,239**
14	**Provisions**		
	Provision for employee benefit		
	- Compensated Absences	986,008	233,772
		986,008	**233,772**
15	**Revenue from operations**		
	Software services	38,284,199	44,439,442
		38,284,199	**44,439,442**
16	**Other income**		
	Interest income	3	16,087
	Other non operating income	259,458	39,835
		259,661	**55,922**
17	**Employee benefits expense**		
	Salaries, wages and incentives	19,720,409	22,483,311
	Staff welfare expenses	42,354	83,436
		19,762,763	**22,566,747**
18	**Other expenses**		
	Travel and overseas expenses (net)	2,034,567	2,391,767
	Transport and conveyance (net)	228,612	202,258
	Cost of service delivery (net)	12,558,043	10,544,478
	Cost of professional sub-contracting (net)	2,978,267	5,387,569
	Recruitment and training expenses	-	3,047
	Rent	11,657	7,426
	Rates & taxes	10,348	3,498
	Communication expenses (net)	142,403	93,230
	Legal and professional fees	364,674	339,135
	Marketing expenses	113,931	236,426
	Loss on sale of fixed assets (net)	-	289
	Printing & stationery	93	1,200
	Bad debts written off	-	(59,519)
	Provision for doubtful debts, unbilled revenue and advances (net)	(19,471)	(16,413)
	Foreign exchange loss (net)	(193)	257
	Miscellaneous expenses (net)	69,459	56,182
		18,492,390	**19,190,830**

Note:

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

19 Related party transactions

A. Relationship with parent and other subsidiaries:

Relationship	Name of related party
Holding Company	Birlasoft Limited, India (Erstwhile 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)
	KPIT Technologies France
	KPIT Infosystems ME FZE (Australia Branch)
	KPIT Infosystems ME FZE (Korea Branch)
	KPIT Infosystems ME FZE, Dubai
	KPIT Technologies Soluções Em Informática Ltda., Brazil
	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

B. Transactions with related parties

No.	Name of related party	Amount of transaction 2018-19 (USD)	Balance as at 31 March 2019 (USD)	Amount of transaction 2017-18 (USD)	Balance as at 31 March 2018 (USD)
1	**Birlasoft Limited (Erstwhile KPIT Technologies Limited, India)**				
	Advance given (net)	**24,538**	**(757)**	66,252	31,339
	Reimbursement of expenses	**6,568**		(429,801)	
	Software service charges	**9,247,271**	**NIL**	5,984,961	(3,528,446)
	Sale of software services	**NIL**	**NIL**	5,190	(215)
2	**Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation)**				
	Software service charges	**12,351**	**NIL**	31,673	(1,470)
	Sale of software services	**1,898,030**	**NIL**	2,367,466	264,842
	Investments	**1**	**1**	NIL	NIL
	Reimbursement of expenses	**(310)**	**NIL**	1,750,489	428,801
	Advance given (net)	**1,915**		156,808	
3	**Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)**				
	Sale of software services	**14,600,849**	**NIL**	17,043,703	10,735,270
	Software service charges	**2,540,702**	**NIL**	3,374,435	(483,388)
	Advance given (net)	**595,665**	**243,931**	5,302,383	467,135
	Reimbursement of expenses	**(6,997)**		2,435,811	
	Loan taken (including interest)	**-**	**-**	-	-
	Reimbursement of expenses	**(355,659.56)**		2,435,811	
4	**KPIT Technologies France**				
	Sale of software services	**18**	**NIL**	2,232	2,232
	Software service charges	**NIL**	**NIL**	NIL	NIL
5	**KPIT Infosystems ME FZE (Australia Branch)**				
	Software service charges	**NIL**	**NIL**	2,503	1,694
6	**KPIT Infosystems ME FZE, Dubai**				
	Repayment of Loan (including interest)	**NIL**	**NIL**	1,993,916	NIL
	Interest income on loan	**NIL**		15,918	
7	**KPIT Technologies (UK) Ltd**				
	Software service charges	**1,449**	**NIL**	(4,036)	NIL
	Advance given (net)	**NIL**	**NIL**	30,985	30,985
	Sale of software services	**18,999**	**NIL**	58,034	888
8	**KPIT Technologies GmbH, Germany**				
	Sale of software services	**105,799**	**NIL**	73,610	54,158
	Software service charges	**NIL**	**NIL**	1,834	NIL
9	**Sparta Consulting Inc. USA**				
	Sale of software services	**301,665**	**NIL**	491,811	17,775
	Software service charges	**750,238**	**NIL**	1,225,711	(48,376)
	Advance given (net)	**2,847.34**	**(2,847)**	-	96,013
	Reimbursement of expenses	**1,738.16**		98,138	
10	**KPIT Technologies Netherlands B.V.**				
	Sale of software services	**NIL**	**NIL**	NIL	(901)
11	**KPIT Infosystems Limited Filial UK, Sweden**				
	Software service charges	**NIL**	**NIL**	1,067	NIL
	Sale of software services	**NIL**	**NIL**	3,292	NIL
12	**KPIT Technologies Inc., USA**				
	Sale of software services	**22,870**	**NIL**	NA	NA
13	**KPIT Solutions GmbH, Germany**				
	Sale of software services	**30,612**	**NIL**	NIL	NIL
14	**KPIT Technologies GK, Japan**				
	Sale of software services	**1,698**	**NIL**	NA	NA
15	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Software service charges	**396**	**NIL**	NIL	NIL
	Sale of software services	**NIL**	**NIL**	NIL	NIL
16	**KPIT Infosystems Limited**				
	Software service charges	**656**	**NIL**	NA	NA

20 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2019.

For and on behalf of the Board of Directors of

Birlasoft Computer Corporation, USA
(Erstwhile SYSTIME Computer Corporation, USA)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Birlasoft Inc.

Registered Office: 399, Thornall Street, Edison, NJ 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, 2019.

Financial Results

Particulars	2018-19 USD (Million)	2017-18 USD (Million)
Total Income	122.83	119.44
Net Profit / (Loss) for the year	0.23	3.94

Operations

During the year under review, total income of the Company has increased by 2.84% and due to increase in cost, net profit decreased by 94%.

Change in shareholder of the Company

Pursuant to the Composite Scheme of arrangement amongst Birlasoft (India) Limited and KPIT Technologies Limited and KPIT Engineering Limited (the "Resulting Company") and their respective shareholders (the "Scheme") which was approved by National Company Law Tribunal vide its order dated November 29, 2018, Birlasoft (India) Limited merged with KPIT Technologies Limited resulting into change in the shareholder of the Company from Birlasoft (India) Limited to KPIT Technologies Limited subsequently renamed as Birlasoft Limited.

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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Balance Sheet

as at 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	180,276	199,536
Financial assets			
(i) Investments	3	8,341,264	8,341,264
Deferred tax assets (net)	4	1,667,895	413,812
		10,189,435	**8,954,612**
Current assets			
Financial assets			
(i) Trade receivables	5	22,201,194	19,769,027
(ii) Cash and cash equivalents	6	3,460,761	83,896
(iii) Loans	7	7,614,018	7,271,126
(iv) Other financial assets	7i	10,009	31,977
Other current assets	8	2,546,196	3,405,232
		35,832,178	30,561,257
	TOTAL	**46,021,613**	**39,515,869**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	3,379,393	3,379,393
Other equity	B	26,728,993	26,499,616
		30,108,387	**29,879,009**
Non-current liabilities			
Other non current liabilities	10	39,287	36,090
		39,287	**36,090**
Current liabilities			
Financial liabilities			
(i) Trade payables	11	5,470,843	2,697,431
(ii) Other financial liabilities	12	7,601,560	4,648,546
Other current liabilities	13	2,253,789	765,087
Current tax liabilities (net)	14	547,746	1,489,705
		15,873,939	**9,600,769**
	TOTAL	**46,021,613**	**39,515,869**
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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
Revenue from operations			
Sale of services	15	122,800,473	115,304,862
Other income	16	30,448	4,134,117
Total income		**122,830,922**	**119,438,979**
Expenses			
Employee benefits expense	17	43,117,764	45,114,177
Finance Cost	18	26,287	25,214
Depreciation and amortization	2A	73,150	30,820
Other expenses	19	79,836,165	68,327,925
Total expenses		**123,053,366**	**113,498,136**
Profit/(Loss) before tax		(222,445)	5,940,844
Tax expenses			
Current tax		802,260	1,489,705
Deferred tax		(1,254,084)	512,990
Total tax expense		**(451,824)**	**2,002,695**
Profit for the year		**229,379**	**3,938,149**
Other comprehensive income		-	-
Total comprehensive income		**229,379**	**3,938,149**
Earnings per equity share for continuing operations (face value per share $ 0.05 each)			
Basic		0.02	0.39
Diluted		0.02	0.39
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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Statement of Cash Flows

for the year ended on 31 March 2019

(Amount in USD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	229,379	3,938,149
Adjustments for		
Income tax expense	(451,824)	2,002,695
Profit/Loss on sale of property, plant and equipment (net)	-	(2,002)
Depreciation / Amortization	73,150	23,812
Interest expense	22,244	22,167
Other adjustments		
Operating Profit before working capital changes	(127,050)	5,984,820
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(2,432,166)	1,098,633
Loans, other financials assets and other assets	538,110	(648,316)
Trade Payables	2,773,412	402,637
Other financial liabilities, other liabilities and provisions	3,502,955	(7,534,650)
Cash generated from operations	4,255,260	(696,876)
Taxes Paid	(802,260)	(2,002,695)
Net cash from/(used in) operating activities (A)	**3,453,000**	**(2,699,571)**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(53,890)	(42,102)
Fixed Deposit with banks (net) having maturity over three months		
Net Cash from /(used in) investing activities (B)	**(53,890)**	**(42,102)**
C] CASH FLOW FROM FINANCING ACTIVITIES		
Interest and finance charges	(22,244)	(22,167)
Payment from unpaid dividend account		
Net cash from /(used in) financing activities (C)	**(22,244)**	**(22,167)**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**3,376,866**	**(2,763,840)**
Cash & cash equivalents at close of the year (refer note 1 below)	3,460,761	83,896
Cash & cash equivalents at beginning of the year (refer note 1 below)	83,896	2,847,735
Cash surplus / (deficit) for the year	**3,376,865**	**(2,763,839)**
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	-	-
Balance with banks		
- In current accounts	3,460,761	83,896
Total Cash and cash equivalents	**3,460,761**	**83,896**
Cash and cash equivalents at the end of the year	3,460,761	83,896

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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Amount in USD)

		Number of shares	Amount
A	**Equity share capital**		
	Balance as at 1 April 2017	-	3,385,673
	Changes in equity share capital during 2017-18		(6,280)
	Balance as at 31 March 2018	-	3,379,393
	Changes in equity share capital during 2018-19		-
	Balance as at 31 March 2019	**-**	**3,379,393**

B	**Other equity**		
	Particulars	**Retained earnings**	**Total**
	Balance as on 01 April 2017	**22,561,468**	**22,561,468**
	Profit for the year	3,938,149	3,938,149
	Other comprehensive income	-	-
	Total comprehensive income for the year	3,938,149	3,938,149
	Balance as on 31 March 2018	**26,499,616**	**26,499,616**
	Profit for the year	229,379	229,379
	Other comprehensive income	-	-
	Total comprehensive income for the year	229,379	229,379
	Balance as on 31 March 2019	**26,728,995**	**26,728,995**

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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Notes forming part of the financial statements

Company Overview:

Birlasoft Inc. (the "Company") incorporated in the state of Delaware in March 1995. Birlasoft is substantially owned by Birlasoft (India) Limited (the "Parent"), an Indian corporation, which is a subsidiary of National Engineering Industries Limited ("NEI"), also an Indian corporation.

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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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.

1.2 Current-non current classification (continued)

Liability (continued)

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
Computers (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.

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

Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

1.9 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.

1.10 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.

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 Financial Instrument

a. 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

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.

1.16 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.

Critical accounting estimates

a. Revenue recognition

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed price contracts is recognized using the proportional performance method where the price for an entire project is agreed upon for a predetermined fee before the project starts. The stage of completion is measured by reference to hours incurred till date as a percentage of total estimated hours for each contract. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

b. Income taxes

The Company's two major tax jurisdictions are India and the U.S., though the Company also files tax returns in other overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

c. Property, plant and equipment Property Plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(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	Total
Gross carrying amount as at 1 April 2017	**258,643**	**259,468**	**43,365**	**629,866**	**1,191,342**
Other additions	42,102	-	-	-	42,102
Less: Disposal/retirements/derecognition	9,803	-	-	-	9,803
Gross carrying amount as at 31 March 2018	**290,942**	**259,468**	**43,365**	**629,866**	**1,223,641**
Accumulated depreciation as at 1 April 2017	**180,277**	**179,555**	**10,624**	**629,838**	**1,000,293**
Depreciation	14,170	7,977	8,644	28	30,820
Less: Disposal/retirements/derecognition	7,008	-	-		7,008
Accumulated depreciation as at 31 March 2018	**187,439**	**187,532**	**19,268**	**629,866**	**1,024,105**
Carrying amount as at 1 April 2017	**78,366**	**79,914**	**32,741**	**28**	**191,048**
Carrying amount as at 31 March 2018	**103,503**	**71,936**	**24,096**	**-**	**199,536**
Gross carrying amount as at 1 April 2018	**290,942**	**259,468**	**43,365**	**629,866**	**1,223,641**
Additions on account of merger	-	-	-	-	-
Other additions	53,890	-	-	-	53,890
Less: 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**
Additions on account of merger	-	-	-	-	-
Depreciation	51,761	14,244	7,145	-	73,150
Less: 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**	**24,096**	**-**	**199,536**
Carrying amount as at 31 March 2019	**105,632**	**57,692**	**16,951**	**-**	**180,276**

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 2017	-	-
Additions on account of merger	-	-
Other additions	-	-
Disposal/retirements/derecognition	-	-
Gross carrying amount as at 31 March 2018	-	-
Accumulated depreciation as at 1 April 2017	-	-
Additions on account of merger	-	-
Depreciation	-	-
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2018	-	-
Carrying amount as at 1 April 2017	-	-
Carrying amount as at 31 March 2018	-	-
Gross carrying amount as at 1 April 2018	-	-
Other additions	-	-
Disposal/retirements/derecognition	-	-
Gross carrying amount as at 31 March 2019	-	-
Accumulated depreciation as at 1 April 2018	-	-
Depreciation	-	-
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at 31 March 2019	-	-
Carrying amount as at 1 April 2018	-	-
Carrying amount as at 31 March 2019	-	-

(Amount in USD)

		31 March 2019	31 March 2018
3	**Non current investments**		
	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**		
	Deferred tax assets		
	- Provision for doubtful debts and advances	8,566	11,976
	- Provision for leave encashment	367,480	349,511
	- Accrued Expenses	915,936	-
	- Others	375,913	52,325
		1,667,895	**413,812**
	Deferred tax liabilities		
	- Provision for depreciation	-	-
		-	-
	Net deferred tax asset	**1,667,895**	**413,812**

(Amount in USD)

		31 March 2019	31 March 2018
5	**Trade receivables**		
	(Unsecured)		
	Trade receivables		
	- Considered good	22,201,193	19,769,027
	- Considered doubtful	36,130	50,724
		22,237,323	19,819,751
	Less: Provision for doubtful trade receivables	36,130	50,724
		22,201,194	**19,769,027**
6	**Cash and bank balances**		
	Cash and cash equivalents	-	
	Cash on hand	-	-
	Cheques in hand	-	-
		-	
	Balances with banks	-	
	- In current accounts	3,460,761	83,896
	- In deposit accounts(with original maturity of 3 months or less)	-	-
		3,460,761	**83,896**
7	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	Loans and advances to related parties		
	- Dues from related parties	7,524,778	7,197,064
	Loans and advances to other than related parties		
	Other loans and advances		
	- Security deposits	89,240	74,062
		7,614,018	**7,271,126**
7i.	**Other fInancial Assets**		
	- Other receivables	10,009	31,977
		10,009	**31,977**
8	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Employee advances	35,391	28,402
	Advance to customer	-	-
	Less : Provision for advances	-	-
		-	-
	Advance to suppliers	76,621	48,749
	Prepaid expenses	1,436,040	1,392,937
	Balances with statutory authorities	998,144	1,935,142
		2,546,196	**3,405,231**
9	**Share capital**		
	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**

(Amount in USD)

		31 March 2019	31 March 2018
10	**Other non current liabilities**		
	Lease equilisation Non Current	39,287	36,090
		39,287	**36,090**
11	**Trade payables**		
	Trade payables	2,213,635	620,861
	Others		
	Accrued employee costs	3,257,209	2,076,570
		5,470,843	**2,697,431**
12	**Other current financial liabilities**		
	Accrued Expenses	2,747,051	1,666,239
	Other payables	3,498,005	2,170,452
	Payable to related parties	1,346,130	811,856
	Security deposits	10,374	-
		7,601,560	**4,648,546**
13	**Other current liabilities**		
	Advances from customers	445,488	263,224
	Statutory remittances	2,419	78,822
	Deferred income	1,728,728	351,567
	Lease equalisation	34,306	25,706
	Others	42,848	45,768
		2,253,789	**765,087**
14	**Current tax liabilities (net)**		
	Provision for taxes		
	- Income Tax Provision	547,746	1,489,705
		547,746	**1,489,705**
15	**Revenue from operations**		
	Revenue from services	122,800,473	115,304,862
		122,800,473	**115,304,862**
16	**Other income**		
	Profit on sale of Business	-	4,134,117
	Other non operating income	30,448	-
		30,448	**4,134,117**
17	**Employee benefits expense**		
	Salaries, wages and incentives	43,038,345	45,030,203
	Staff welfare expenses	79,420	83,975
		43,117,764	**45,114,177**
18	**Finance costs**		
		22,244	22,167
	Interest expense		
	Bank Charges	4,042	3,047
		26,287	**25,214**

(Amount in USD)

		31 March 2019	31 March 2018
19	**Other expenses**		
	Travel and overseas expenses (net)	2,680,048	2,216,651
	Cost of service	4,114,038	3,971,935
	Cost of Offshore Development	51,257,551	49,491,783
	Cost of professional sub-contracting (net)	18,614,843	10,370,999
	Recruitment and training expenses	177,337	155,426
	Rent	231,622	269,920
	Repairs and maintenance - Office	72,346	69,176
	Insurance	68,491	65,229
	Communication expenses (net)	273,077	131,120
	Auditor's Remuneration	-	49,286
	Legal and professional fees	1,468,687	766,808
	Marketing expenses	417,306	387,220
	Director Fee	76,000	100,000
	Bad debts written off	-	-
	Provision for doubtful debts, unbilled revenue and advances (net)	(14,594)	(48,219)
	Miscellaneous expenses (net)	399,413	330,593
		79,836,165	**68,327,925**

(Amount in USD)

20 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2019.

21 Related party transactions:

A. Relationship with parent and other subsidiaries

Relationship	Name of related party
Ultimate Parent	National Engineering Industries Limited
Parent	Birlasoft Limited
Subsidiary Companies	Enablepath LLC
	Birlasoft UK Limited
	Birlasoft GMBH
Fellow Subsidiary Companies	KPIT Technologies

B. Transactions with related parties

Sr. no.	Name of the related party	Amount of transaction 2018-19 (USD)	Balance as at 31 March 2019 (USD)	Amount of transaction 2017-18 (USD)	Balance as at 31 March 2018 (USD)
1	**Birlasoft Limited**				
	Transfer pricing transactions	-318,509	-1,130,365	7,348,859	-811,856
	Salary Advance to US Transfers	-74,248	-74,248	0	0
2	**Birlasoft UK Limited**				
	Cost Transfers	31,673	-1,470	0	0
3	**Enablepath LLC**				
	Cost Transfers	327,714	7,524,778	36,381	7,197,064
4	**KPIT Canada**	-141,517	-141,517	0	0
	Cost Transfers	-141,517	-141,517	169,451	1,585

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.

Anjan Lahiri
Director

Place : New Delhi
Date : May 24, 2019

Enablepath LLC

Registered Office: 399, Thornall Street, Edison, NJ 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, 2019.

Financial Results

Particulars	2018-19 USD (Million)	2017-18 USD (Million)
Total Income	0.19	3.60
Net Profit / (Loss) for the period	(0.85)	(1.99)

Operations

During the year under review, total income of the Company has declined by 94.72% but the net loss of the Company has reduced to USD 0.85 million.

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

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Balance Sheet

as at 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2A	1,648	5,807
Goodwill	2B	1,870,460	2,244,560
Other Intangible assets	2B	-	133,500
Deferred tax assets (Net)	3	773,524	804,550
		2,645,632	3,188,418
Current assets			
Financial assets			
(i) Trade receivables	4	-	310,837
(ii) Cash and cash equivalents	5	40,544	17,849
(iii) Loans	6	-	14,776
Other current assets	7	-	124,638
		40,544	**468,100**
TOTAL		**2,686,176**	**3,656,518**
EQUITY AND LIABILITIES			
Corpus	8	8,062,484	8,062,484
Other equity	B	(12,901,086)	(12,046,728)
		(4,838,602)	**(3,984,244)**
Non-current liabilities			
Other non current liabilities	9	-	37,966
		-	**37,966**
Current liabilities			
Financial liabilities			
(i) Trade payables	10	-	310,894
(ii) Other financial liabilities	11	7,524,778	7,197,106
Other current liabilities	12	-	94,795
		7,524,778	**7,602,795**
TOTAL		**2,686,176**	**3,656,518**
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
Enablepath LLC

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Amount in USD)

	Note	31 March 2019	31 March 2018
Revenue from operations	15		
Sale of services	13	187,148	3,598,493
Total income		**187,148**	**3,598,493**
Expenses			
Employee benefits expense	14	232,823	2,970,614
Finance Cost	15	3,129	14,685
Depreciation and amortization	2	511,760	575,871
Other expenses	16	262,768	1,536,460
Total expenses		**1,010,479**	**5,097,630**
Profit/(Loss) before tax		**(823,331)**	**(1,499,137)**
Tax expenses			
Current tax		-	-
Deferred tax		31,023	496,713
Total tax expense		**31,023**	**496,713**
Profit/(Loss) for the year		**(854,353)**	**(1,995,850)**
Other comprehensive income		-	-
Total comprehensive income/(loss)		**(854,353)**	**(1,995,850)**
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
Enablepath LLC

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Amount in USD)

A	Corpus	Number of shares	Amount
	Balance as at 1 April 2017	-	8,062,484
	Changes during 2017-18	-	-
	Balance as at 31 March 2018	-	8,062,484
	Changes during 2018-19	-	-
	Balance as at 31 March 2019	-	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 2017	**(10,050,878)**	**(10,050,878)**
Profit/(Loss) for the year	(1,995,850)	(1,995,850)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	**(1,995,850)**	**(1,995,850)**
Balance as on 31 March 2018	**(12,046,728)**	**(12,046,728)**
Profit/(Loss) for the year	**(854,353)**	**(854,353)**
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	(854,353)	(854,353)
Balance as on 31 March 2019	**(12,901,086)**	**(12,901,086)**

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

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Cash Flow Statement

for the year ended on 31 March 2019

(Currency - USD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period	(854,353)	(1,995,850)
Adjustments for		
Income tax expense	31,023	496,713
Profit/Loss on sale of Property Plant and Equipment (net)	-	-
Depreciation / Amortization	511,760	575,871
Interest income	-	-
Dividend income	-	-
Operating Profit before working capital changes	(311,571)	(923,266)
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	310,837	690,744
Loans, other financials assets and other assets	139,413	28,743
Trade Payables	(310,894)	(28,370)
Other financial liabilities, other liabilities and provisions	194,911	(114,314)
Cash generated from operations	22,695	(346,463)
Taxes Paid	-	-
Net cash from operating activities (A)	**22,695**	**(346,463)**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Proceeds from Sale of Fixed Assets	-	-
Loans repaid by related parties	-	-
Interest received	-	-
Dividend received	-	-
Net Cash from /(used in) investing activities (B)	**-**	**-**
C] Net Increase / (decrease) in cash and cash equivalents (A + B)	**22,695**	**(346,463)**
Cash & cash equivalents at close of the year (refer note 1 below)	**40,544**	**17,849**
Cash & cash equivalents at beginning of the year (refer note 1 below)	**17,849**	**364,313**
Cash surplus / (deficit) for the year	22,694	(346,464)
Note 1:		
Cash and cash equivalents include:		
Cheques in Hand	**-**	**-**
Balance with banks		
- In current accounts	40,544	17,849
Total Cash and cash equivalents	**40,544**	**17,849**
Cash and cash equivalents at the end of the year	**40,544**	**17,849**

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

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Notes forming part of the financial statements

for the year ended on 31 March 2019

Company Overview

Enablepath LLC owned by Birlasoft Inc. (the "Company") incorporated in the state of Delaware in March 1995. Birlasoft Inc is substantially owned by Birlasoft (India) Limited (the "Parent"), an Indian corporation, which is a subsidiary of National Engineering Industries Limited ("NEI"), also an Indian corporation.

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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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 derives revenues primarily from business IT services comprising of software development and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services")

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.

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed-price contracts where the performance obligations aresatisfied overtime and where there is no uncertainty as to measurement or collectability of consideration ,is recognized as per the percentage-of-completion method.. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

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 [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.

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

Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

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 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 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 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**

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.

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.

Critical accounting estimates

a. Revenue recognition

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed price contracts is recognized using the proportional performance method where the price for an entire project is agreed upon for a predetermined fee before the project starts. The stage of completion is measured by reference to hours incurred till date as a percentage of total estimated hours for each contract. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

b. Income taxes

The Company's two major tax jurisdictions are India and the U.S., though the Company also files tax returns in other overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions."

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

C. Property, plant and equipment Property

Plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2A Property, plant and equipment

Changes in the carrying amount of property, plant and equipment.

(Amount in USD

	Computers	Furniture and Fixtures	Total
Gross carrying amount as at 1 April 2017	**95,010**	**44,477**	**139,486**
Other additions	-	-	-
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2018	**95,010**	**44,477**	**139,486**
Accumulated depreciation as at 1 April 2017	**76,514**	**33,462**	**109,976**
Depreciation	12,688	11,015	23,703
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2018	**89,202**	**44,477**	**133,679**
Carrying amount as at 1 April 2017	**18,496**	**11,015**	**29,510**
Carrying amount as at 31 March 2018	**5,807**	**-**	**5,807**
Gross carrying amount as at 1 April 2018	**95,010**	**44,477**	**139,486**
Additions on account of merger	-	-	-
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**
Additions on account of merger	-	-	-
Depreciation	4,160	-	4,160
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**

2B Other intangible assets

Changes in the carrying amount of other intangible assets.

	Intangible Assets	Goodwill	Total
Gross carrying amount as at 1 April 2017	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 2018	**3,390,000**	**3,740,951**	**7,130,951**
Accumulated depreciation as at 1 April 2017	**3,078,504**	**1,122,291**	**4,200,795**
Additions on account of merger	-	-	-
Depreciation	177,996	374,100	552,096
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31 March 2018	**3,256,500**	**1,496,391**	**4,752,891**
Carrying amount as at 1 April 2017	**311,496**	**2,618,660**	**2,930,156**
Carrying amount as at 31 March 2018	**133,500**	**2,244,560**	**2,378,060**

	Intangible Assets	Goodwill	Total
Gross carrying amount as at 1 April 2018	**3,390,000**	**3,740,951**	**7,130,951**
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**
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**

(Amount in USD)

		31 March 2019	31 March 2018
3	**Deferred tax assets**		
	Deferred tax assets		
	-Provision for Doubtful Debts	-	23,545
	-Intangibles	727,086	725,194
	-Others	46,438	55,808
		773,524	**804,547**
	Deferred tax liabilities		
	- Accumulated depreciation	**-**	**-**
		-	**-**
	Net deferred tax asset	**773,524**	**804,547**
4	**Trade receivables (Unsecured)**		
	Trade receivables		
	- Considered good	-	310,837
	- Considered doubtful	-	99,725
		-	410,562
	Less: Impairment Loss	-	99,725
		-	**310,837**
5	**Cash and bank balances**		
	Cash and cash equivalents	-	
	Cash on hand	-	-
	Cheques in hand	-	-
	Balances with banks	-	
	- In current accounts	40,544	17,849
	- In deposit accounts(with original maturity of 3 months or less)	-	-
		40,544	**17,849**
6	**Loans** (Unsecured, considered good unless otherwise stated)		
	Loans and advances to other than related parties		
	Other loans and advances		
	- Security deposits	-	14,776
		-	**14,776**
7	**Other current assets** (Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	-	124,637
		-	124,637
8	**Equity share capital**		
	Issued subscribed and fully paid up:	8,062,484	8,062,484
	100% Ownership with Birlasoft Inc		
		8,062,484	**8,062,484**

		31 March 2019	31 March 2018
9	**Other Non current liabilities**		
	Lease equilisation	-	37,966
		-	**37,966**
10	**Trade payables**		
	Trade payables	-	83,249
	Others		
	Employee payables	-	227,645
		-	310,894
11	**Other current financial liabilities**		
	Accrued Expenses	-	42
	Payable to related parties	7,524,778	7,197,064
		7,524,778	**7,197,106**
12	**Other current liabilities**		
	Advances from customers	-	94,795
		-	**94,795**
13	**Revenue from operations**		
	Revenue from Services	187,148	3,598,493
		187,148	**3,598,493**
14	**Employee benefits expense**		
	Salaries, wages and incentives	232,222	2,967,514
	Staff welfare expenses	601	3,100
		232,823	**2,970,614**
15	**Finance costs**		
	Interest expense	-	-
	Bank Charges	3,129	14,685
		3,129	**14,685**
16	**Other expenses**		
	Travel and overseas expenses (net)	12,721	65,805
	Cost of professional sub-contracting (net)	119,106	1,046,688
	Recruitment and training expenses	212	3,127
	Rent	5,849	18,253
	Repairs and maintenance - Office	105,917	290,439
	Insurance	118	(13,125)
	Communication expenses (net)	4,146	39,427
	Marketing expenses	688	24,177
	Provision for doubtful debts, unbilled revenue and advances (net)	14,000	55,000
	Miscellaneous expenses (net)	13	6,668
		262,768	**1,536,460**
17	**Contingent liabilities:**		
	The Company has no liabilities of contingent nature outstanding as at 31 March 2019.		

18 Related party transactions:

A. Relationship with parent and other subsidiaries.

Relationship	Name of related party
Ultimate Parent	Birlasoft Inc

B. Transactions with related parties

Sr. no.	Name of the related party	Amount of transaction 2018-19 (USD)	Balance as at 31 March 2019 (USD)	Amount of transaction 2017-18 (USD)	Balance as at 31 March 2018 (USD)
1	**Birlasoft Inc.**				
	Cost Transfers	(327,714)	(7,524,778)	(36,381)	(7,197,064)

19 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
Enablepath LLC

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Birlasoft Technologies Canada Corporation

(Erstwhile 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, 2019.

Financial Results

Particulars	2018-19 CAD (Million)	2017-18 CAD (Million)
Total Income	22.85	26.78
Net Profit / (Loss) for the period	3.24	2.95

Operations

During the year under review, total income of the Company decreased by 14.68% and due to decrease in cost the net profit has increased to CAD 3.24 million.

Change in Board of Directors

Mr, Kishor Patil and Mr. Sachin Tikekar, resigned from their positions as directors of the Company w.e.f. January 15, 2019 and Mr. Anjan Lahiri was appointed as a Director w.e.f. January 15, 2019.

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
(Erstwhile KPIT Technologies Corporation)

Anjan Lahiri
Chairman

Place : New Delhi
Date : May 24, 2019

Balance Sheet

as at 31 March 2019

(Currency CAD)

	Note	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Income tax assets (net)		148,064	-
Loans	6	5,351,227	-
		5,499,291	**-**
Current assets			
Financial assets			
Trade receivables	2	6,187,881	6,730,851
Cash and cash equivalents	3	6,664,366	6,175,198
Loans	4	169,627	3,203,755
Unbilled Revenue		832,889	64,237
Other current assets	5	217,958	2,736
		14,072,720	**16,176,777**
TOTAL ASSETS		**19,572,011**	**16,176,777**
EQUITY AND LIABILITIES			
Equity share capital	7	1	1
Other equity		13,575,505	10,335,212
		13,575,506	**10,335,213**
Liabilities			
Non-current liabilities			
Provisions	8	161,458	144,082
		161,458	**144,082**
Current liabilities			
Financial liabilities			
Trade payables	9	5,007,892	3,709,378
Other financial liabilities	10	215,156	957,327
Other current liabilities	11	537,381	699,167
Provisions	12	74,618	30,660
Current income tax liability (net)		-	300,950
		5,835,047	**5,697,482**
TOTAL EQUITY AND LIABILITIES		**19,572,011**	**16,176,777**
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 of
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of Profit and Loss

for the year ended on 31 March 2019

(Currency CAD)

	Note	31 March 2019	31 March 2018
Revenue from operations	13	22,729,629	26,675,510
Other income	14	121,526	102,003
Total income		**22,851,155**	**26,777,513**
Expenses			
Employee benefits expense	15	5,602,614	7,501,042
Finance costs	16	48	-
Other expenses	17	12,796,507	15,406,596
Total expenses		**18,399,169**	**22,907,638**
Profit before tax		**4,451,986**	**3,869,875**
Tax expense			
Current tax		1,211,693	916,693
Total tax expense		**1,211,693**	**916,693**
Profit for the year		**3,240,293**	**2,953,182**
Other comprehensive income		-	-
Total comprehensive income for the year		**3,240,293**	**2,953,182**
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 of
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of changes in equity

for the year ended on 31 March 2019

(Currency - CAD))

A	Equity share capital	Amount
	Balance as at 1 April 2017	1.00
	Changes in equity share capital during 2017-18	-
	Balance as at 31 March 2018	1.00
	Changes in equity share capital during 2018-19	-
	Balance as at 31 March 2019	1.00

B Other equity

Particulars	Retained earnings	Total
Balance as on 01 April 2017	**7,382,030**	**7,382,030**
Total comprehensive income for the year 2017-18	2,953,182	2,953,182
Balance as on 31 March 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**

For and on behalf of the Board of Directors of
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Statement of Cash Flow

for the year ended on 31 March 2019

(Currency - CAD)

PARTICULARS	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	3,240,293	2,953,182
Adjustments for		
Income tax expense	1,211,693	916,693
Interest income	(121,197)	(70,245)
Unrealised foreign exchange Loss	-	61,743
Operating Profit before working capital changes	**4,330,789**	**3,861,373**
Adjustments for changes in working capital:		
Trade Payables	1,298,514	476,872
Other financial liabilities, other liabilities and provisions	(842,623)	(149)
Trade receivables and unbilled revenue	(225,682)	321,166
Other current assets	(215,222)	2,232,815
Cash generated from operations	**4,345,777**	**6,892,077**
Taxes Paid	(1,660,707)	(442,793)
Net cash from operating activities (A)	**2,685,070**	**6,449,284**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Loan given to related parties	(2,317,099)	(2,177,739)
Interest received	121,197	3,854
Net Cash from /(used in) investing activities (B)	**(2,195,902)**	**(2,173,885)**
Net Increase / (decrease) in cash and cash equivalents (A + B)	**489,168**	**4,275,400**
Cash & cash equivalents at close of the year (refer note 1 below)	6,664,366	6,175,198
Cash & cash equivalents at beginning of the year (refer note 1 below)	6,175,198	1,899,798
Cash surplus / (deficit) for the year	**489,168**	**4,275,400**
Note 1:		
Cash and cash equivalents include:		
Balance with banks		
Cheques in hand	156,934	-
- In current accounts	6,507,432	6,175,198
Total Cash and cash equivalents	**6,664,366**	**6,175,198**

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 Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Director **Director**

Place: New Delhi
Date: 24 May 2019

Notes forming part of the financial statements

for the year ended on 31 March 2019

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 (Formerly 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.

Application of new and revised Ind AS

1) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

2) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

   The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

3) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

4) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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:

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 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 Leases

Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

1.7 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.

1.8 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.

1.9 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 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.

1.12 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

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

Critical accounting estimates

a. Revenue recognition

Revenue from time and material contracts is recognized during the period in which the related services are provided. Revenue from fixed price contracts is recognized using the proportional performance method where the price for an entire project is agreed upon for a predetermined fee before the project starts. The stage of completion is measured by reference to hours incurred till date as a percentage of total estimated hours for each contract. Revenue from maintenance contract are recognized pro-rata over the period of the contract as and when service are rendered.

(Currency - CAD)

		31 March 2019	31 March 2018
2	**Trade receivables**		
	Trade Receivables considered good - Unsecured	6,260,648	6,801,852
	Trade Receivables - credit impaired	-	-
		6,260,648	**6,801,852**
	Less: Allowances for bad and doubtful trade receivables	72,767	71,001
		6,187,881	6,730,851
		6,187,881	**6,730,851**
3	**Cash and cash equivalents**		
	Cheques in hand	156,934	-
	Balances with banks		
	- In current accounts	6,507,432	6,175,198
		6,664,366	**6,175,198**
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)	-	3,154,339.00
	Loans Receivable from other than related parties - Considered good - Unsecured		
	- Employee advances	20,777	46,652
	- Advance to suppliers	14,563	1,675
	- Security deposits	1,089	1,089
		169,627	**3,203,755**
5	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Prepaid expenses	2,782	2,736
	Balances with Statutory authorities	215,176	-
		217,958	**2,736**

		31 March 2019	31 March 2018
6	**Loans**		
	Loans Receivable from related parties - (Refer note 18) Considered good - Unsecured		
	-Loan to Birlasoft solutions Inc (Erstwhile KPIT Infosystems Inc., USA)	5,351,227	-
		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	161,458	144,082
		161,458	**144,082**
9	**Trade payables**		
	Total outstanding dues of trade payables	5,007,892	3,709,378
		5,007,892	**3,709,378**
10	**Other current financial liabilities**		
	Other than trade payables :		
	Accrued employee costs	208,994	233,250
	Payable to related parties (Refer note 18)	6,162	724,077
		215,156	**957,327**
11	**Other current liabilities**		
	Unearned revenue	12,712	134,520
	Statutory Liabilities	524,669	564,647
		537,381	**699,167**
12	**Provisions**		
	Provision for employee benefit		
	- Compensated Absences	74,618	30,660
		74,618	**30,660**
13	**Revenue from Operations**		
	Software services	22,729,629	26,675,510
		22,729,629	**26,675,510**
14	**Other income**		
	Interest income	121,197	70,245
	Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	329	31,758
		121,526	**102,003**
15	**Employee benefits expense**		
	Salaries, wages and incentives	5,591,559	7,492,559
	Staff welfare expenses	11,055	8,483
		5,602,614	**7,501,042**
16	**Finance costs**		
	Interest expense	48	-
		48	**-**
17	**Other expenses**		
	Travel and overseas expenses (net)	410,340	564,571
	Transport and conveyance (net)	66,540	38,962
	Cost of service delivery (net)	10,021,118	11,945,849
	Cost of professional sub-contracting (net)	2,329,736	2,728,561
	Recruitment and training expenses	10,000	271
	Rent	16,363	15,571
	Insurance	23,935	25,008
	Rates & taxes	77,443	75,385
	Communication expenses (net)	901	-
	Legal and professional fees	32,489	22,180
	Marketing expenses	21,904	37,827
	Printing & Stationery	209	143
	Foreign exchange loss (net)	(226,560)	18,787
	Provision for doubtful debts and advances (net)	-	(1,404)
	Bad Debts written off	-	(71,994)
	Miscellaneous expenses (net)	12,089	6,879
		12,796,507	**15,406,596**

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)
	KPIT Infosystems ME FZE Australia Branch
	Birlasoft Inc, USA
	Sparta Consulting Inc. USA
	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

Sr. no.	Name of the related party	Amount of transaction 2018-19 (CAD)	Balance as at 31 March 2019 (CAD)	Amount of transaction 2017-18 (CAD)	Balance as at 31 March 2018 (CAD)
1	**Birlasoft Limited (Erstwhile KPIT Technologies Limited, India)**				
	Advance Received (Net)	23,241		109,224	
	Reimbursement of expenses	5,261	1,856	(536,871)	(170,841)
	Sale of software services	532	532	116	116
	Software service charges	6,334,161	(4,286,523)	NIL	NIL
	Loan receivable	NIL	NIL	8,005,808	(3,001,273)
2	**Birlasoft Computer Corporation, USA (Erstwhile known as SYSTIME Computer Corporation, USA)**				
	Advance Received (Net)	2,555		201,823	
	Reimbursement of expenses	406	26	(2,275,939)	(552,713)
	Sale of software services	16,202	1,848	41,100	1,892
	Software service charges	2,492,860	(351,602)	3,051,233	(340,934)
3	**Birlasoft Solutions Inc. (Erstwhile KPIT Infosystems Incorporated, USA)**				
	Reimbursement of expenses	16,140	(5,819)	(12,574)	(523)
	Advance Received (Net)	10,511		144	
	Loan given	2,121,974	5,351,227	3,002,400	3,154,339
	Interest income	121,197		60,100	
	Software service charges	975,192	(239,861)	587,407	(112,957)
	Sale of software services	558,015	339,143	712,383	45,533
4	**KPIT Infosystems ME FZE Australia Branch**				
	Sale of Software service	NIL	NIL	NIL	3,509
5	**KPIT Technologies (UK) Ltd**				
	Sale of software services	11,904	NIL	16,403	9,566
	Software service charges	173,646	(55,926)	229,630	(6,606)
6	**KPIT Technologies GmbH, Germany**				
	Sale of software services	NIL	NIL	(227)	(227)
	Software service charges	22,755	(142)	65,284	1,590
7	**Sparta Consulting Inc. USA**				
	Sale of software services	148,424	10,567	234,957	19,458
	Software service charges	202,817	(102,035)	109,922	(21,491)
	Loan given (including interest)	NIL		NIL	
	Repayment of loan (including interest)	NIL	NIL	975,435	NIL
	Interest income	NIL		10,133	
8	**KPIT Technologies France**				
	Sale of software services	NIL	NIL	109,145	93,195
	Software service charges	NIL	NIL	NIL	NIL
9	**KPIT Infosystems Limited Filial UK, Sweden**				
	Sale of software services	NIL	NIL	3,813	(4,074)
	Software service charges	NIL	NIL	1,374	(65)
10	**KPIT INFOSYSTEMS UK**				
	Software service charges	77,955	(77,955)	NA	NA
11	**KPIT Technologies Netherlands BV**				
	Software service charges	4,369	14,563	NA	NA
12	**KPIT Technologies Inc.**				
	Sale of software services	(489,402)	70,359	NA	NA
	Software service charges	25,096	(25,096)	NA	NA
	Advance Received (Net)	132,069	(130,970)	NA	NA
13	**Birlasoft Inc, US**				
	Sale of software services	189,048	189,048	NA	NA

19 Contingent liabilities:

The Company has no liabilities of contingent nature outstanding as at 31 March 2019.

For and on behalf of the Board of Directors of
Birlasoft Technologies Canada Corporation
(Erstwhile KPIT Technologies Corporation)

Director **Director**

Place: New Delhi
Date: 24 May 2019

KPIT Technologies Soluções em Informática Ltda

Registered Office: Av. Angélica, 1920 – 2º andar – Consolação CEP 01228-200 – São Paulo / SP- Brasil

Board's Report

Dear Shareholders,

Your Directors are pleased to present herewith the Seventh report on the operations of the Company together with the audited accounts for the financial year ended March 31, 2019.

Financial Results

Particulars	2018-19 R$	2017-18 R$
Net Revenue	21,507,987	19,099,973
Profit / (Loss) for the year	(543,001)	319,228

Operations

During the year under review, total revenues of the Company increased by 12.61% and due to increase in cost the Company incurred losses.

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
KPIT Technologies Soluções em Informática Ltda.

Anjan Lahiri
Chairman

Date : April 10, 2019
Place : New Delhi

REVIEW REPORT OF FINANCIAL STATEMENTS

(Convenience Translation into English from the Original Previously Issued in Portuguese)

To

The Management of
KPIT Technologies Soluções em Informática Ltda.
São Paulo - SP

Qualified opinion

We reviewed the financial statements of KPIT Technologies Soluções em Informática Ltda. ("Company") comprising the balance sheet on March 31st, 2019 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 polices 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 KPIT Technologies Soluções em Informática Ltda., on March 31, 2019, 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. Due to fact of these activities being directly linked with Company's core business, and due to the services performance by certain individuals related to such services providers possibly having characteristics that occasionally may 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 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.
- 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, April 10, 2019
Actual Contabilidade S.S.
CRC-SP - 2SP024780/O-6
Rodrigo Aparecido Leme de Oliveira
Accountant CRC - 1SP309141/O-1

Balance Sheets

AS OF MARCH 31, 2019 AND 2018
(In Brazilian reais without cents)

	2019	2018
Assets		
Current assets:		
Cash and cash equivalents	613,491	256,789
Accounts receivable	3,203,629	1,600,672
Advances to suppliers	11,105	639
Advances to employees	22,732	32,773
Recoverable taxes	1,433,673	1,658,584
Other accounts receivable	71,904	82,590
	5,356,534	**3,632,047**
Non-Current assets:		
Property, plant and equipment	110,353	126,239
	110,353	**126,239**
Liabilities		
Current liabilities:		
Suppliers	53,181	65,173
Intercompany loan Agreement	16,621	-
Taxes and contributions payable	208,640	124,639
Payroll and related charges	154,619	266,875
Accrued vacations and related charges	881,972	888,965
Accrued consulting fees	958,417	483,824
Accrued bonus	422,464	604,665
Other accruals	121,980	42,611
	2,817,894	2,476,752
Non-Current liabilities:		
Intercompany Loan Agreement	2,547,930	637,470
	2,547,930	**637,470**
Shareholders' equity:		
Capital stock	4,022,378	4,022,378
Accumulated losses	(3,921,315)	(3,378,314)
	101,063	**644,064**
	5,466,887	**3,758,286**

The accompanying notes are an integral part of these financial statements.

Income Statements

FOR THE YEARS ENDED MARCH 31, 2019 AND 2018
(In Brazilian reais without cents, except profit (loss) per shareqota)

	2019	2018
Gross revenue:		
Services revenue - domestic market	18,555,546	16,964,537
Services revenue - foreign market	4,275,971	3,642,118
	22,831,517	**20,606,655**
Deductions:		
Sales Taxes	(1,323,530)	(1,506,682)
Operational net revenue	21,507,987	19,099,973
Cost of services rendered	(9,646,146)	(6,660,904)
Gross profit	11,861,841	12,439,069
Operational expenses		
Selling expenses	(518,869)	(213,878)
Administrative and general expenses	(11,677,622)	(11,702,454)
Tax expenses	(190,222)	(52,866)
Finance (expenses) revenues, net	(139,307)	(154,105)
	(12,526,020)	**(12,123,303)**
(Loss) profit before financial result	(664,179)	315,766
Income and Social contributions tax	121,178	3,462
(Loss) profit for the year	(543,001)	319,228
(Loss) profit per sharequota	(0.13)	0.08

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Shareholders’ Equity

FOR THE YEARS ENDED MARCH 31, 2019 AND 2018
(In Brazilian reais without cents)

	Capital Stock	Accumulated (loss) profits	Advanced for future capital increase	Total
Balances at April 1, 2017	1,122,145	(3,697,542)	2,900,233	324,836
Capital increase	2,900,233	-	(2,900,233)	-
Profit for the year	-	319,228	-	319,228
Balances at March 31, 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**

The accompanying notes are an integral part of these financial statements.

Cash Flow Statements

FOR THE YEARS ENDED MARCH 31 2019 AND 2018
(In Brazilian reais without cents)

	2019	2018
CASH FLOW OF OPERATIONAL ACTIVITIES		
(Loss) profit for the year	(543,001)	319,228
Adjustments to reconcile the fiscal year net profit with Cash generated by operational activities:		
Depreciation and amortization	45,198	40,782
Interest and exchange variation on intercompany loans	50,051	-
Decrease (Increase) in the operational assets:		
Accounts receivable from clients	(1,602,957)	(110,366)
Advances to suppliers	(10,466)	(639)
Advances to employees	10,041	(14,355)
Recoverable taxes	224,911	(286,935)
Other accounts receivable	10,686	(82,590)
Increase (decrease) in the operational liabilities:		
Suppliers	(11,992)	48,490
Taxes and contributions payable	84,001	(111,032)
Salaries and Labor Taxes payable	(112,256)	(561,045)
Accrued vacations and related charges	(6,993)	103,991
Accrued consulting fees	474,593	7,671
Accrued bonus	(182,201)	(197,153)
Other accruals	79,369	(14,203)
Cash invested in operational activities	**(1,491,016)**	**(858,156)**
CASH FLOW OF INVESTMENTS ACTIVITIES		
Fixed assets acquisition	(29,312)	(39,698)
Cash invested on activities of investments	**(29,312)**	**(39,698)**
CASH FLOW OF FINANCIAL ACTIVITIES		
Intercompany loan agreement	1,877,030	637,470
INCREASE (DECREASE) OF AVAILABLE FUNDS BALANCE	**356,702**	**(260,384)**
CASH AND CASH EQUIVALENTS		
Opening Balance	256,789	517,173
Ending Balance	613,491	256,789
INCREASE (DECREASE) OF AVAILABLE FUNDS BALANCE	**356,702**	**(260,384)**

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

YEARS ENDED MARCH 31, 2019 AND 2018
(In Brazilian reais without cents)

1 Operational context

The Company's activities include basically the sale of computer programs, software and applications, the consulting and advisory services in types and configurations, as well as installation project developments related to the products sold, 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, 2019, the company considers there will be no effects to be taken into account in the Financial Statements.

On April 10th, 2019, 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, 2019.

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.

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 non-billable 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.

4 Cash and Cash Equivalents

	2019	2018
Cash and Cash Equivalents	512	452
Investments	612,979	256,337
	613,491	**256,789**

5 Accounts Receivable

	2019	2018
Domestic sales	2,542,408	1,277,014
Foreign Sales – related parties	446,142	344,902
Foreign Sales – non related parties	-	72,187
Reimbursable expenses	391,048	82,538
Allowance for doubtful accounts	(175,969)	(175,969)
	3,203,629	**1,600,672**

6 Transactions with Related Parties

The transactions with related parties consist basically of information technologies services to enterprises abroad as showed below:

	2019	2018
Current Assets – Accounts receivable:		
KPIT US (Cummins)	190,459	196,570
KPIT Technologies US	-	14,805
KPIT US (WTF)	20,830	-
KPIT US (NOV)	86,020	21,704
KPIT UK (Unilever)	148,833	74,906
Sparta Consulting INC DBA KPIT	-	36,917
	446,142	**344,902**

The transactions performed during the year were the following:

	2019	2018
Services Revenue:		
Foreing market:		
KPIT US (Cummins)	2,317,313	2,127,024
KPIT India (Pure Circle)	-	17,153
KPIT US (Epson)	-	11,875
KPIT Technologies Oshkosh	40,731	14,465
KPIT US (WTF)	201,312	133,248
KPIT US (NOV)	457,369	159,187
KPIT UK (Unilever)	751,269	675,277
SPARTA Consulting INC DBA KPIT	293,873	` 435,555
KPIT US (Cummins – Red Praire)	214,104	-
	4,275,971	**3,573,784**
Domestic market:		
MICROFUZZY KPIT Tecnologia (BR)	-	515,000
	4,275,971	**4,088,784**

7 Intercompany loan agreement

KPIT Infosystems Incorporated (KPIT US) is a wholly owned subsidiary of KPIT Technologies Limited, India (KPIT India) and KPIT Technologies Soluções em Informática Ltda. (KPIT Brazil) is a wholly owned subsidiary of KPIT US.

KPIT Technologies Incorporated

(KPIT US), a company incorporated under the laws of State of New Jersey shall advance a loan of US$ 650,000 to KPIT Brazil to fund its working capital requirements.

KPIT Brazil 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.

KPIT Brazil shall repay the entire loan within a period not exceeding thirty six months on rolling basis form the date of disbursal of the loan.

7 Intercompany loan agreement

KPIT Infosystems Incorporated (KPIT US) is a wholly owned subsidiary of KPIT Technologies Limited, India (KPIT India) and KPIT Technologies Soluções em Informática Ltda. (KPIT Brazil) is a wholly owned subsidiary of KPIT US.

8 Capital Stock

The capital, totally paid up, is of R$ 4,022,378 (R$ 4,022,378 at 2017), divided in 4,022,378 (4,022,378 at 2017) quotas at the nominal amount of R$ 1.00 each, distributed to quota holders in the following proportion.

Shareholder	Number of Sharequotas
KPIT Technologies Limited	1,000
KPIT Infosystems Incorporated	4,021,378
	4,022,378

Birlasoft Sdn. Bhd.

Registered Office: Unit: 30-01, Level 30, Tower A, Vertical Business Suit, 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 2019.

Principal activities

The principal activities of the company are software development and information technology consultancy services. There were no significant changes in the nature of these activities during the financial year.

Financial results

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.

	RM
Net Profit for the year	129,691

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.

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 have 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 at their carrying amount in the ordinary course of business including the value of current assets as shown in the accounting records of the company had 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 render it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the company; or

(b) which would render the values attributed to the current assets in the financial statements of the company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the company misleading.

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 in respect of the company any which has arisen since the end of the financial year.

No contingent or other liability of the company has become enforceable or is likely to become enforceable within the year 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.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

Holding company

Birlasoft Limited, a company incorporated and domiciled in India is 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

Place : Kuala Lumpur
Date: 3 May 2019

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 exhibit a true and fair view of the financial position of the company as at 31 March 2019 and of the financial performance and cash flows of the company for the financial year ended on that date.

Signed in Kuala Lumpur on 3 May 2019

Signed on behalf of the Board of Directors
in accordance with a resolution of the Directors

Sayersilan A/L Periannan

Deepathayyil Vachali

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 3 May 2019

SAYERSILAN A/L PERIANNAN

Before me :

Commissioner for Oaths.

Independent Auditor's Report

to the member of Birlasoft SDN. BHD.

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 2019, 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 2019, 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.

Company No. 771930-A

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

Chong Kwang Fock
03327/09/2019 J
Chartered Accountant

Place : Kuala Lumpur
Date: 3 May 2019

Statement of Financial Position

AS AT 31 MARCH 2019

	Notes	2019	2018
		RM	RM
Assets			
Non-current assets			
Property, plant and equipment	4	1,782	4,682
Current assets			
Trade and other receivables	5	83,320	317,778
Current tax assets		27,284	54,188
Bank balances		2,433,382	1,100,615
		2,543,986	1,472,581
Total assets		**2,545,768**	**1,477,263**
Equity and liabilities			
Equity			
Share capital	6	5,000	5,000
Retained profits		1,268,374	1,138,683
Total equity		**1,273,374**	**1,143,683**
Liabilities			
Current liabilities			
Trade and other payables	7	1,245,939	278,310
Other liabilities	8	26,455	55,270
Total Liabilities		**1,272,394**	**333,580**
Total Equity and Liabilities		**2,545,768**	**1,477,263**

Statement of Profit or Loss and other Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Notes	2019	2018
		RM	RM
Revenue	9	1,332,396	1,943,914
Cost of sales		(1,038,613)	(1,273,355)
Gross profit		293,783	670,559
Other operating income		-	2,826
Depreciation		(2,900)	(2,900)
Other operating expenses		(84,210)	(110,646)
Profit before taxation	10	206,673	559,839
Income tax expense	11	(76,982)	(145,201)
Net profit, representing total comprehensive income for the financial year		129,691	414,638

The accompanying notes form an integral part of the financial statements.

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	2019	2018
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	206,673	559,839
Adjustment for:		
Depreciation	**2,900**	**2,900**
Operating profit before working capital changes	209,573	562,739
Decrease/(increase) in receivables	234,458	(3,429)
Increase in payables	**938,814**	**279,852**
Cash generated from operating activities	1,382,845	839,162
Tax refunded	78,552	-
Tax paid	**(128,630)**	**(136,831)**
Net cash generated from operating activities	**1,332,767**	**702,331**
CASH FLOWS FROM INVESTING ACTIVITIES	**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES	**-**	**-**
Net increase in cash and cash equivalents	1,332,767	702,331
Cash and cash equivalents at the beginning of the financial year	1,100,615	398,284
Cash and cash equivalents at the end of the financial year	**2,433,382**	**1,100,615**
Cash and cash equivalents comprise:		
Bank balances	**2,433,382**	**1,100,615**

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Non - distributable	Distributable	Total
	Share Capital	Retained Profits	
	RM	RM	RM
At 1 April 2017	5,000	724,045	729,045
Total comprehensive income for the financial year	-	414,638	414,638
At 31 March 2018/1 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	**5,000**	**1,268,374**	**1,273,374**

Notes to the Financial Statements

31 MARCH 2019

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) Income Tax Expense

Income taxes for the 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.

(k) 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.

(l) 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).

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 2018/31 March 2019	8,699
Accumulated depreciation	
At 1 April 2018	4,017
Charge for the financial year	2,900
At 31 March 2019	6,917
Net carrying amount	
At 31 March 2019	1,782
At 31 March 2018	4,682
Depreciation - 2018	2,900

5. TRADE AND OTHER RECEIVABLES

	2019	**2018**
	RM	**RM**
Trade receivables	80,686	314,810
Other receivables	2,634	2,968
	83,320	**317,778**

The company's normal trade credit terms granted to the trade receivables is 60 days (2018: 60 days). Other credit terms are assessed and approved on a case-by-case basis.

6. SHARE CAPITAL

	2019	**2018**	**2019**	**2018**
	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 PAYABLE

	2019	**2018**
	RM	**RM**
Trade payables		
- Holding company	286,942	104,265
Other payables		
- Related party	27,221	-
- Third parties	18,969	30,682
Amount owing to holding company	19,286	17,036
Amount owing to related companies	893,521	126,327
	1,245,939	**278,310**

The credit term of trade payables granted to the company is 180 days (2018: 180 days).

The amount owing to a related party 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

	2019	**2018**
	RM	**RM**
Accruals	26,455	55,270
	26,455	**55,270**

9 REVENUE

Revenue represents the invoiced value of services rendered, net of discounts

10. PROFIT BEFORE TAXATION

Cost of consultancy services include consultancy fee paid to consultants and subcontractors.

	2019	**2018**
	RM	**RM**
Profit before taxation is stated after charging:		
Auditors' remuneration		
- current year's provision	5,500	6,000
- over provision in respect of prior year	(200)	-
Depreciation	2,900	2,900
Rental of premises	2,732	1,313
After crediting:		
Gain on foreign exchange - unrealised	**-**	**2,826**

11. INCOME TAX EXPENSE

	2019	**2018**
	RM	**RM**
Malaysian income tax:		
- current year's provision	66,668	136,339
- under provision in respect of prior year	10,314	8,862
	76,982	**145,201**

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2019	**2018**
	RM	**RM**
Profit before taxation	206,673	559,839
Income tax expense at Malaysian statutory tax rate of 24% (2018: 24%)	49,602	134,362
• Adjustments for the following tax effects:		
- expenses not deductible for tax purposes	16,579	1,490
- deferred tax assets not recognised during the financial year	487	487
	17,066	**1,977**
• Under provision of current income tax in respect of prior year	10,314	8,862
	76,982	**145,201**

The amounts of temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

	2019	**2018**
	RM	**RM**
Excess of accumulated depreciation over corresponding capital allowances claimed	**2,567**	**537**

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) Significant related company/party transactions

	2019	2018
	RM	RM
i. Transactions with holding company		
- Services received	182,677	104,265
ii. Transactions with company in which the directors of the company have substantial financial interest - Services received	828,726	1,168,875
- Rental of premises	2,732	1,313

(c) Compensation of key management personnel

The company does not has any key management compensation during the financial year.

13. CATEGORIES OF FINANCIAL INSTRUMENTS

	2019	2018
	RM	RM
Financial assets:		
Measured at amortised cost		
Trade and other receivables	83,320	317,778
Bank balances	2,433,382	1,100,615
	2,516,702	**1,418,393**
Financial liabilities:		
Measured at amortised cost		
Trade and other payables	**1,245,939**	**278,310**

14. COMPARATIVE FIGURES

The following entries were made to the statement of profit or loss and other comprehensive income of prior year due to reclassification made to the prior year's financial statements to conform with the current year's presentation as follows:

	As previously reported 2019	As stated 2018
	RM	RM
Statement of profit or loss and other comprehensive income (extracted):		
Cost of sales	(1,273,140)	(1,273,355)
Other operating expenses	(110,861)	(110,646)
Measured at amortised cost		
Trade and other payables	**1,245,939**	**278,310**

15. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 3 May 2019 by the Board of Directors.

KPIT Infosystems ME FZE

Registered Office: Dubai Airport Free Zone Area, West Wing 2, Office 2W113, P.O.Box: 54931, Dubai, UAE.

Manager's Report

The managers have pleasure in presenting this report and the audited consolidated financial statements for the year ended 31 March 2019.

Principal activities

The establishment is engaged in the business of providing software and IT infrastructure services. During the year the company was engaged in providing software and IT infrastructure services.

Financial results

The establishment has achieved revenue of AED 5,486,074 for the year ended 31 March 2019 (31 March 2018 revenue is AED 32,198,423). The net loss for the year is AED 2,337,912 (31 March 2018 net profit is AED 8,462,471). The management is optimistic about the prospects for the next year and expects to improve the performance of the establishment.

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 consolidated financial statements or disclosures.

Shareholder and its interests

The shareholder and its interests in the establishment were disclosed in the note 1 of the consolidated financial statements. There were no changes to the shareholding structure during the year.

Management

As per the renewed service license of the establishment Sukhvinder Singh Mehta and Elson Varghese Mattappadom are appointed as the managers of the establishment.

Auditors

Koya Chartered Accountants were the auditors of the establishment for the year ended 31 March 2019 and they express their willingness to continue as auditors for the year ending 31 March 2020.

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

KPIT Infosystems ME FZE

08 May 2019

Independent Auditor's Report

to shareholders of KPIT Infosystems ME FZE, Dubai - U.A.E.

Opinion

We have audited the accompanying consolidated financial statements of M/s KPIT Infosystems ME FZE, Dubai Airport Free Zone, Dubai, U.A.E ("the Establishment") which comprise the consolidated statement of financial position as at 31 March 2019, the consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financials 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 company as at 31 March 2019, 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 company 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 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 management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company'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 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 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 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 company 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 company 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.

Report on other legal and regulatory requirements

We further confirm that proper financial records have been kept by the company and the contents of the managers' report relating to these financial statements are in agreement with the company'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 company'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

14 May 2019

Consolidated Statement of Financial Position

AS AT 31 MARCH 2019

	Notes	31.03.2019	31.03.2018
		AED	AED
Assets			
Non-current assets			
Property, plant and equipment	5	125,353	185,602
Total non-current assets		**125,353**	**185,602**
Current assets			
Due from related parties	6	227,417	176,362
Accounts and other receivables	7	1,642,513	6,847,463
Cash and bank balances	8	14,122,744	13,054,747
Total current assets		15,992,674	20,078,572
Total assets		**16,118,026**	**20,264,174**
Equity and liabilities			
Equity			
Share capital	1	1,000,000	1,000,000
Retained earnings		10,364,675	12,702,587
Shareholders' current account	9	185,661	185,661
Total equity		**11,550,336**	**13,888,248**
Non-current liabilities			
Provision for employees' end of service benefits	10	274,336	468,502
Total non-current liabilities		**274,336**	**468,502**
Current liabilities			
Accounts and other payables	11	829,183	1,496,091
Due to related parties	6	3,464,172	4,411,333
Total current liabilities		4,293,355	5,907,424
Total liabilities		4,567,691	6,375,926
Total equity and liabilities		**16,118,026**	**20,264,174**

For KPIT Infosystems ME FZE

Manager

The notes on pages 11 to 22 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	31.03.2019	31.03.2018
		AED	AED
Revenue	12	5,486,074	32,198,423
Cost of consultancy services	13	(818,368)	(12,492,466)
Staff cost		(5,145,987)	(8,005,816)
General & administration expenses	14	(1,964,650)	(3,187,689)
Finance cost		-	(58,511)
Other income		105,019	8,530
(Loss)/profit for the year		**(2,337,912)**	**8,462,471**
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		**(2,337,912)**	**8,462,471**

The notes on pages 11 to 22 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2019

	31.03.2019	31.03.2018
	AED	AED
Cash flows from operating activities		
Net (loss)/profit for the year	(2,337,912)	8,462,471
Adjustments for:		
Depreciation	62,125	80,483
Allowance for doubtful debts	56,784	265,825
Finance cost	-	58,511
Provision for employees' end of service benefits	(194,166)	296,153
Cash flows before working capital changes	**(2,413,169)**	**9,163,443**
Changes in:		
Due from related parties	(51,055)	(130,659)
Trade and other receivables	5,148,166	4,548,786
Trade and other payables	(666,908)	(729,274)
Due to related parties	(947,161)	(7,059,407)
Margin money deposits	-	735,399
Net cash from operating activities	**1,069,873**	**6,528,288**
Cash flows from investing activities		
Additions to property, plant & equipment	(1,876)	(52,701)
Net cash used in investing activities	**(1,876)**	**(52,701)**
Cash flows from financing activities		
Finance cost	-	(58,511)
Net cash used in financing activities	**-**	**(58,511)**
Net increase in cash and cash equivalents	1,067,997	6,417,076
Cash and cash equivalents at the beginning of the year	12,460,364	6,043,288
Cash and cash equivalents at the end of the year	**13,528,361**	**12,460,364**
Cash and cash equivalents comprise of:		
Cash at bank	13,528,361	12,460,364

The notes on pages 11 to 22 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2019

	Share capital	Retained earnings/	Shareholder's current account	Total
	AED	AED	AED	AED
Balance as at 1 April 2017	1,000,000	4,240,116	185,661	5,425,777
Total comprehensive income for the year	-	8,462,471	-	8,462,471
Balance as at 31 March 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**

The notes on pages 11 to 22 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 MARCH 2019

1 Legal status and business activities

These are consolidated financial statements comprising of:

i. M/s. KPIT Infosystems 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.

ii. M/s. 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. 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 establishment is engaged in the business of providing software and IT infrastructure services. During the year the company was engaged in providing software and IT infrastructure services

Management

As per the renewed service license of the establishment Sukhvinder Singh Mehta and Elson Varghese Mattappadom are appointed as the managers of the establishment.

Accounting period

These consolidated financial statements relate to the accounts for the period from 01 April 2018 to 31 March 2019.

2 Application of new and revised International Financial Reporting Standards (IFRS)

2.1 New standards, interpretations and amendments effective from January 1, 2018

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 9 - 'Financial Instruments'
- IFRS 15 - 'Revenue from contracts with customers'
- Clarifications to IFRS 15 - 'Revenue from contracts with customers'
- IFRIC 22 - 'Foreign currency transactions and advance consideration'
- Amendments to IFRS 2 - 'Classification and Measurement of Share–based Payment Transactions'
- Amendments to IAS 40 - 'Transfers of investment property'
- Annual improvements 2014 - 2016 cycle as below:

Amendments to IFRS 1 - 'First-time Adoption of International Financial Reporting Standards' on clarification relating to deletion of short-term exemptions for first-time adopters

Amendments to IAS 28 - 'Investments in Associates and Joint Ventures' on clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice.

2.2 New standards, interpretations and amendments not yet effective

The company 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, 2018. The adoption in the relevant accounting period is purely optional and will have required relevant disclosures with in the financial statements.

- IFRS 16 - 'Leases'(Effective for annual periods beginning on or after January 1, 2019)
- Amendments to IFRS 4 on applying IFRS 9 - 'Financial instruments' with IFRS 4 - 'Insurance Contracts' (Effective for annual periods beginning on or after January 1, 2018)
- Amendments to IFRS 9 - 'Financial Instruments' on prepayment features with negative compensation
- Amendments to IAS 28 - 'Long term interests in Associates and Joint Ventures'(Effective for annual periods beginning on or after January 1, 2019)
- IFRS 17 - 'Insurance contracts' (Effective for annual periods beginning on or after January 1, 2021)
- Amendments to IAS 19 - 'Employee Benefits' on plan amendment, curtailment or settlement (Effective for annual periods beginning on or after January 1, 2019)

The company has not applied the following annual improvements to IFRSs that have been issued but are not yet effective for annual periods beginning on or after January 1, 2019. These are optional and it is anticipated that their adoption in the relevant accounting periods will require necessary disclosures with in the financial statements.

- IAS 23 'Borrowing costs eligible for capitalization'
- IFRS 3 'Business combinations'
- IFRS 11 'Joint arrangements'

3 Basis of preparation and significant accounting policies

3.1 Basis of combination

These financial statements combine the assets, liabilities and operations of KPIT Infosystems ME FZE in UAE, Australia and South Korea. The significant accounting policies adopted in the preparation of these combined financial statements are set out below.

3.2 Statement of compliance

These consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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
Office equipment	10
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 consolidated statement of comprehensive income.

3.6 Revenue recognition

Revenue is recognized in the consolidated 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 a 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 combined 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 combined 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 consolidated 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

	Air conditioning machine	Furniture, fixtures & fittings	Motor Vehicle	Office equipment	Computer Systems & peripherals	Leasehold Improvements	Total
	AED	AED	AED	AED	AED	AED	AED
Cost							
Balance at 01 April 2017	3,702	217,562	37,000	20,574	275,127	-	553,965
Additions		14,847		-	19,893	17,961	52,701
Disposals	(3,240)	-	-	(20,574)	-	-	(23,814)
Balance at 31 March 2018	**462**	**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**
Accumulated depreciation							
Balance at 01 April 2017	3,263	73,365	37,000	20,574	206,379	-	340,581
Depreciation expense	46	28,640	-		45,818	5,979	80,483
On disposal	(3,240)	-	-	(20,574)	-	-	(23,814)
Balance at 31 March 2018	**69**	**102,005**	**37,000**	**-**	**252,197**	**5,979**	**397,250**
Depreciation expense	47	28,910			24,477	8,692	62,125
Balance at 31 March 2019	**116**	**130,915**	**37,000**	**-**	**276,674**	**14,671**	**459,375**
Carrying amounts							
As at 31 March 2019	**346**	**101,494**	**-**	**-**	**20,222**	**3,290**	**125,353**
As at 31 March 2018	393	130,404	-	-	42,823	11,982	185,602

6 RELATED PARTY TRANSACTIONS

	31.03.2019	31.03.2018
	AED	AED
Due from related parties		
KPIT Infosystems Incorporated, USA	144,572	113,449
KPIT Technologies Japan Branch	82,845	46,541
KPIT KPGE	-	16,372
	227,417	**176,362**
Due to related parties		
KPIT Technologies Limited, India	2,989,631	3,561,238
KPIT(Shanghai) Software Technology Co Ltd	293,063	647,269
KPIT Technologies Ltd Singapore Branch	179,703	191,746
KPIT Technologies Corporations, Canada	-	10,141
KPIT Technologies, France	837	902
KPIT Technologies(UK) Limited	938	37
	3,464,172	**4,411,333**

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.

7 ACCOUNTS AND OTHER RECEIVABLES

	31.03.2019	31.03.2018
	AED	AED
Accounts receivables	2,213,647	7,354,257
Less: allowance for doubtful debts	(812,749)	(793,247)
	1,400,898	**6,561,010**
Staff advances	6,391	6,391
Deposits	44,479	140,644
Prepayments	114,547	128,769
Other receivables	76,198	10,649
	1,642,513	**6,847,463**

Age wise analysis of trade receivables

	31.03.2019	31.03.2018
	AED	AED
Less than 3 months	972,458	5,851,010
3 - 6 months	134,316	1,011,505
More than 6 months	1,106,873	491,742
	2,213,647	**7,354,257**

a) The fair value of accounts receivables is not materially different from their net balances shown in the consolidated 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.

	31.03.2019	31.03.2018
	AED	AED
Movement in the allowance for doubtful debts		
Balance at the beginning of the year	793,247	734,590
Additional allowance during the year	56,784	265,825
Adjustments/transfers	(37,282)	(207,168)
Amounts recovered during the year	-	-
	812,749	**793,247**

8 CASH AND BANK BALANCES

	31.03.2019	31.03.2018
	AED	AED
Cash at bank	13,528,361	12,460,364
Margin money deposits	594,383	594,383
	14,122,744	**13,054,747**

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.

10 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	31.03.2019	31.03.2018
	AED	AED
Opening balance	468,502	172,349
Charges for the year	68,651	312,994
Less: excess provision written back	(211,083)	-
Less: payments during the year	(51,734)	(16,841)
	274,336	**468,502**

11 ACCOUNTS AND OTHER PAYABLES

	31.03.2019	31.03.2018
	AED	AED
Accounts payable	183,876	195,886
Deferred revenue	2,181	74,418
Provisions and accrued expenses	586,173	1,200,706
Other payable	56,953	25,081
	829,183	**1,496,091**

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.

14 GENERAL & ADMINISTRATION EXPENSES

	31.03.2019	31.03.2018
	AED	AED
Travelling and conveyance	517,631	722,263
Legal, visa, professional and other charges	267,005	661,588
Business promotion	110,379	224,616
Rent	300,554	303,441
Insurance	115,384	171,348
Communication	85,088	103,384
Bank charges	63,507	49,559
Printing & stationery	5,079	4,050
Maintenance	33,579	39,911
Foreign exchange difference	-	119,608
Miscellaneous expenses	59,058	59,070
Bad debts	288,477	382,543
Allowance for doubtful debts	56,784	265,825
Depreciation	62,125	80,483
	1,964,650	**3,187,689**

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 consolidated 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 company 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 consolidated statement of financial position date.

16 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

	31.03.2019	31.03.2018
	AED	AED
Letters of guarantee	**594,383**	**594,383**

Except the above and ongoing business obligations in the normal course of business against which no loss is expected, there has been no other known contingent liability or capital commitments on the establishment's account.

17 COMPARATIVE AMOUNTS

Prior 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
Fax: +91-20-6652 5001

Software Development Centres
SEZ Premises
Custom Wing Unit,
Seepz SEZ, Andheri (E),
Mumbai – 400096, India.
Phone: +91-22-2829 6100
+91-22-2829 0051
Fax: +91-22-2829 0126

IT-3 Unit, SDF VII,
Seepz SEZ, Andheri (E),
Mumbai – 400096, India.
Phone: +91-22-2829 6200
+91-22-2829 6100
+91-22-2829 0051

34 & 35, Noida Special Economic Zone,
Phase – II, Noida – 201305,
Uttar Pradesh, India.
Phone: +91-120-3073555
Fax: +91-120-3073554

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

STPI Premises
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,
N0.283/3A, 283/4A & 283/4B,
OMR, Kottivakkam Village,
Kandanchavadi,
Chennai, Tamil Nadu- 600096
Phone: +91-44-22502371/+91-44-61432000

Tower 1, 4Th Floor Plot No. 13, 14 & 15,
SJR 1 Park Industrial Area Of Hoodli
Village,
Krishnarajapuram, Hobli, Bangalore,
Karnataka- 560027
Phone: +91-80 4180 0000

Tower 3, Plot No 22, Sector 135,
Expressway Noida, 201301
Phone:+91-120 6629000

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
Fax: +732-321-0922

1266 Washington Street,
Columbus, IN 47201,
United States of America.
Phone: +812-379-1811 / 1816 / 1308 / 1319
Fax: +812-379-1812

28001 Cabot DR, Suite 110
Novi, MI 48377,
United States of America.
Phone: +248-215-0304

111 Woodmere Road, Suite 200
Folsom, California 95630,
United States of America.
Phone: +1-916-985-0300
Fax: +916-985-0302

920 Main Campus DR,
STE 400, Raleigh,
North Carolina 27606,
United States of America.
Phone: +919-755-5300

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

Brazil
Alameda Santos, 1165– 10°
andar – Cerqueira Cesar
CEP 01419-200 – São Paulo /
SP- Brasil
Phone: +55-11-4081-3010

Rua James Watt, 84 – 8° andar –
sala 2 - Jardim Edith
CEP 04576-050 – São Paulo /
SP – Brasil.
Phone: +55-11-3664-9918

R Vigario Tenorio,
194 - Sala 202 Box 05 - Porto Digital,
Cep 50.030-010 –
Recife / Pe - Brasil

United Kingdom
Ground Floor,
The Annexe, Hurst Grove,
Sandford Lane, Hurst,
Berkshire RG10 0SQ,
United Kingdom.
Phone: +44-118-934-5656
Fax: +44-118-934-1165

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

Germany
Detmolder Straße 235,
33605 Bielefeld,
Phone: +49-521-305665-0
Fax: +49-521-305665-19

Kapellenstrabe 47,
65830 Kriftel, Germany

France
10 Avenue Franklin D. Roosevelt,
75008 Paris, France
Phone : +33-147178190
Fax: +33-147181 97

Japan
Senikaikan 5F,
3-1-11 Nihonbashi-Honcho Chuo-ku,
Tokyo, Japan 103-0023
Phone: +03-6913-8501
Fax: +03-5205-2434

Singapore
#11-07 Paya Lebar Square
60 Paya Lebar Road, Singapore 409 051
Phone: +65-6822-7206

South Africa
22 Wellington Road,
Parktown, 2193,
South Africa.
Phone: +27 (0) 11 488 1888

South Korea
A-410-1, 410-2, SAMHWANHIPEX,
Sampyung-Dong,
240, Pangyoyeok-ro,
Budang-gu, Seongnam-si,
Gyeonggi-do 13493, Korea.
Phone: +82-31-606-9996
Fax: +82-31-606-9998

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
Fax: +971-4-2998843

Australia
Level 36, Governor Phillip Tower
One Farrer Place, Sydney NSW 2000
Phone: +612-8823-3384
Fax: + 61-451-351-771

Malaysia
Level 32, Menara Allianz Sentral
203 Jalan Tun Sambanthan
50470 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Netherland
Siriusdreef 17 – 27, 2132 WT Hoofddrop ,
Netherlands

Poland
Oddział w Polsce, ul. Szwedzka 5, 55-040 Bielany Wrocławskie, Poland

Switzerland
C/O RSM Switzerland AG;
Leutschenbachstrasse 45, Zürich,
Switzerland CH-8050

Sweden
C/O AddControl Consulting AB,
Wallingatan 38, S-111 24 Stockholm