

# B S R & Co. LLP

Chartered Accountants

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## Private and Confidential

To,  
The Board of Directors  
Birlasoft Limited  
35 & 36, Rajiv Gandhi Infotech Park,  
Phase I, MIDC, Hinjewadi,  
Pune- 411057

Dear Sirs,

### **Statutory Auditor's Report in respect of proposed buyback of equity shares by Birlasoft Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buyback Regulations")**

1. This Report is issued in accordance with the terms of our engagement letter dated 20 May 2022.
2. The Board of Directors of Birlasoft Limited have approved a proposed buy-back of equity shares by the Company at its meeting held on 23 May 2022 (subject to the approval of the shareholders), in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') read with Buyback Regulations.
3. We have been requested by the Management of the Company (the "Management") to provide a report on the accompanying "Statement of Permissible Capital Payment (including securities premium)" (Annexure A) as at 31 March 2022. This Statement has been prepared by the Management, which we have initialed for identification purposes only.

### **Management's Responsibility**

4. The preparation of the Statement in accordance with the provisions of the Act and the compliance with the Buyback Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP  
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

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**B S R & Co. LLP**

**Statutory Auditor's Report in respect of proposed buyback of equity shares by Birlasoft Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buyback Regulations") (Continued)**

**Auditors' Responsibility**

5. Pursuant to the requirements of clause (xi) of Schedule I of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:
- (i) whether we have inquired into the state of affairs of the Company in relation to its audited Standalone Financial Statements and audited Consolidated Financial Statements as at and for the year ended 31 March 2022;
  - (ii) if the amount of the permissible capital payment as stated in Annexure A for the proposed buyback of equity shares, has been properly determined considering the audited Standalone Financial Statements and audited Consolidated Financial Statements as at and for the year ended 31 March 2022, in accordance with Section 68 of the Act, Regulation 4 of the Buyback Regulations; and
  - (iii) if the Board of Directors of the Company, in their meeting on 23 May 2022, have formed the opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the board resolution dated 23 May 2022 and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.
6. The audited Standalone Financial Statements and audited Consolidated Financial Statements as at and for the year ended 31 March 2022 referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified opinion vide our report dated 23 May 2022. We conducted our examination of the Standalone Financial Statements and Consolidated Financial Statements in accordance with the Standards on Auditing and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



**B S R & Co. LLP**

**Statutory Auditor's Report in respect of proposed buyback of equity shares by Birlasoft Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buyback Regulations") (Continued)**

**Opinion**

9. Based on inquiries conducted and our examination as above, we report that:
- (i) We have inquired into the state of affairs of the Company in relation to its Audited Standalone Financial Statements and Audited Consolidated Financial Statements as at and for the year ended 31 March 2022 which have been approved by the Board of Directors of the Company on 23 May 2022;
  - (ii) The amount of permissible capital payments (including securities premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68 of the Act, Regulation 4 of the Buyback Regulations. The amounts of share capital and free reserves have been extracted from the Audited Standalone Financial Statements and Audited Consolidated Financial Statements as at and for the year ended 31 March 2022 of the Company;
  - (iii) The Board of Directors of the Company, at their meeting held on 23 May 2022, have formed their opinion, as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds, and that the Company having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 23 May 2022 and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

**Restriction on use**

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, explanatory statement to the shareholders of the Company, draft letter of offer and letter of offer pertaining to buyback to be sent to the shareholders of the Company or filed with the (a) Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Manager to the proposed buyback offer, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No. 101248W / W-100022



**Swapnil Dakshindas**  
*Partner*

Membership no.: 113896  
UDIN: 22113896AJLKYT9498

Place: Pune  
Date: 23 May 2022

B S R & Co. LLP

**Birlasoft Limited**

35 & 36, Rajiv Gandhi  
Infotech Park, Phase I, MIDC,  
Hinjewadi, Pune- 411057

**Annexure A - Statement of permissible capital payment  
(including securities premium) as at 31 March 2022**

Particulars as on 31 March 2022	Standalone Amount (INR)	Consolidated Amount (INR)
Paid up Equity share capital (A) (equity shares of face value of INR 2 each)	558,992,164	558,992,164
<b>Free Reserves (B = C+D+E below)</b>	<b>15,058,699,656</b>	<b>23,342,855,421</b>
General reserve (C)	-	179,769,321
Retained earnings (D)	10,599,692,719	18,704,079,163
Securities premium (E)	4,459,006,937	4,459,006,937
<b>Total Paid up capital and free reserves (F = A+B above)</b>	<b>15,617,691,820</b>	<b>23,901,847,585</b>

Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 and Regulation 4 of the Buyback Regulations (i.e. upto 25% of the total paid up capital and free reserves, lower of standalone and consolidated financial statements)	3,904,422,955
Amount proposed by Board Resolution dated 23 May 2022 approving the Buyback, subject to shareholders approval by special resolution, based on the Audited Standalone Financial Statements as at and for the year ended 31 March 2022	3,900,000,000

Notes -

A) The aforesaid balances have been extracted accurately from the audited Standalone Financial Statements and audited Consolidated Financial Statements as at and for the year ended 31st March 2022 and secretarial records of the Company.

B) Free reserves considered above, are in accordance with section 2(43) of the Act and Explanation II to Section 68 of the Act.

C) The aforesaid Statement has been prepared in connection with the proposed buy-back of upto 7,800,000 equity shares at a price of INR 500/- per share aggregating upto INR 3,900,000,000. The shares proposed for buy-back have been determined in accordance with the provisions of the Companies Act, 2013 including Section 68 and Regulation 4 to the Buyback Regulations.

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**Annexure A - Statement of permissible capital payment (including securities premium) as at 31 March 2022 (continued)**

D) The Board of Directors have in their meeting dated 23 May 2022, formed opinion that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the aforesaid date and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

**For and on behalf of Birlasoft Limited**



Dharmander Kapoor  
CEO & Managing Director

Date: 23 May 2022  
Place: New Jersey

**Signed for identification**



For B S R & Co. LLP

Date: 23 May 2022  
Place: Pune