

**KPIT TECHNOLOGIES LIMITED (erstwhile KPIT ENGINEERING LIMITED)**

Registered & Corporate Office - Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Taluka - Mulshi, Pune - 411057  
Phone : +91 20 6770 6000 | grievances@kpit.com | www.kpit.com | CIN : L74999PN2018PLC174192

**PART I: STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020**

₹ in million (except per share data)

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2020 (Unaudited)	June 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	March 31, 2020 (Audited)
Revenue from operations	1,906.77	1,761.58	2,999.32	3,668.35	5,081.91	9,552.50
Other income:						
Net gain on investments carried at fair value through profit and loss	0.68	3.21	-	3.89	-	-
Interest and dividend income on investments	16.50	6.94	11.49	23.44	12.01	15.37
Others (Refer note 3)	9.52	8.84	19.08	18.36	23.80	216.50
<b>Total Income</b>	<b>1,933.47</b>	<b>1,780.57</b>	<b>3,029.89</b>	<b>3,714.04</b>	<b>5,117.72</b>	<b>9,784.37</b>
<b>Expenses</b>						
Cost of materials consumed	-	-	0.82	-	1.00	1.22
Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-
Employee benefits expense	1,090.20	1,093.47	1,414.31	2,183.67	2,446.72	5,324.94
Finance costs (Refer note 4)	21.30	30.74	47.66	52.04	81.89	151.13
Depreciation and amortization expense	239.38	227.81	212.78	467.19	401.51	837.02
Net loss on investments carried at fair value through profit and loss	-	-	63.53	-	109.97	56.92
Other expenses (Refer note 3)	326.63	268.24	388.71	594.87	814.74	1,402.77
<b>Total expenses</b>	<b>1,677.51</b>	<b>1,620.26</b>	<b>2,127.81</b>	<b>3,297.77</b>	<b>3,855.83</b>	<b>7,774.00</b>
<b>Profit before exceptional items and tax</b>	<b>255.96</b>	<b>160.31</b>	<b>902.08</b>	<b>416.27</b>	<b>1,261.89</b>	<b>2,010.37</b>
Exceptional items (Refer note 7)	32.03	-	-	32.03	-	(36.57)
<b>Profit before tax</b>	<b>287.99</b>	<b>160.31</b>	<b>902.08</b>	<b>448.30</b>	<b>1,261.89</b>	<b>1,973.80</b>
<b>Tax expense</b>						
Current tax	81.31	37.33	149.06	118.64	231.72	469.02
Deferred tax (benefit) / charge	(62.28)	(22.86)	(105.33)	(85.14)	(142.06)	(279.69)
<b>Total tax expense</b>	<b>19.03</b>	<b>14.47</b>	<b>43.73</b>	<b>33.50</b>	<b>89.66</b>	<b>189.33</b>
<b>Profit for the period</b>	<b>268.96</b>	<b>145.84</b>	<b>858.35</b>	<b>414.80</b>	<b>1,172.23</b>	<b>1,784.47</b>
<b>Other comprehensive income/(loss)</b>						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	1.47	(5.44)	(6.99)	(3.97)	(21.30)	(29.36)
Income tax on items that will not be reclassified to profit or loss	(1.11)	2.94	4.11	1.83	3.95	6.56
Items that will be reclassified to profit or loss						
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	51.55	64.57	(16.16)	116.12	(21.05)	(114.38)
Income tax on items that will be reclassified to profit or loss	(18.01)	(22.56)	5.65	(40.57)	7.36	39.97
<b>Total other comprehensive income/(loss)</b>	<b>33.90</b>	<b>39.51</b>	<b>(13.39)</b>	<b>73.41</b>	<b>(31.04)</b>	<b>(97.21)</b>
<b>Total comprehensive income for the period</b>	<b>302.86</b>	<b>185.35</b>	<b>844.96</b>	<b>488.21</b>	<b>1,141.19</b>	<b>1,687.26</b>
Paid up equity capital (face value ₹ 10 per share)	2,689.63	2,689.02	2,685.02	2,689.63	2,685.02	2,688.80
Other equity						7,558.60
<b>Earnings per equity share (face value per share ₹ 10 each)*</b>						
Basic	1.00	0.54	3.20	1.54	4.37	6.64
Diluted	1.00	0.54	3.18	1.54	4.34	6.62

**Notes:**

- The above unaudited standalone financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on October 21, 2020. These unaudited standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and provisions of the Companies Act, 2013.
- The statutory auditors of the Company have conducted a limited review of the above standalone financial results of the Company for the quarter and half year ended September 30, 2020. An unqualified opinion has been issued by them thereon.
- Details of foreign exchange gain/ (loss) included in above results:

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2020 (Unaudited)	June 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	March 31, 2020 (Audited)
Foreign exchange gain (net) included in other income	-	-	14.89	-	14.89	187.23
Foreign exchange (loss) (net) included in other expenses	5.55	(13.98)	17.73	(8.43)	-	-

4 Details of finance costs:

Particulars	Quarter ended			Half Year ended		Year ended
	September 30, 2020 (Unaudited)	June 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	March 31, 2020 (Audited)
Finance cost on lease liabilities as per Ind-AS 116 Leases	19.47	22.57	16.59	42.04	33.59	67.55
Net foreign exchange loss considered as finance cost*	(0.70)	0.70	15.61	-	15.61	29.43
Interest expense on working capital loan and term loan	1.63	5.97	15.21	7.60	32.06	42.75
Other interest expense	0.90	1.50	0.25	2.40	0.63	11.40
<b>Total finance costs</b>	<b>21.30</b>	<b>30.74</b>	<b>47.66</b>	<b>52.04</b>	<b>81.89</b>	<b>151.13</b>

\*As per para 6(e) of Ind-AS 23 "Borrowing costs", 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.

- 5 Where financial results contain both consolidated financial results and standalone financial results of the parent, segment information is required to be presented only in the consolidated financial results. Accordingly, segment information has been presented in the consolidated financial results.
- 6 The standalone results of the Company are available on the Company's website, www.kpit.com and also on the website of the BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com, where the shares of the Company are listed.
- 7 a. In line with its re-defined strategy to focus only on Software led services and solutions for Mobility and discontinue hardware dominated products, the Company had, during the year ended March 31, 2020, on prudent assessment, written-off its inventories of ₹ 36.57 million including the related GST credit.
- b. In line with the Company's operational efficiency measures, it has consolidated its presence during the current quarter, resulting into early termination of some of its existing leased office premises in Pune, India. Accordingly, as per Ind-AS 116 "Leases", remeasured the lease liability and on prudent assessment, also written-off its property, plant and equipment at the said location. The net impact of ₹ 32.03 million is recognised in the Statement of Profit and Loss.
- 8 The Board of Directors of the Company at its meeting held on July 26, 2019 had approved a merger scheme of its wholly owned subsidiary Impact Automotive Solutions Limited with its parent company KPIT Technologies Limited. The merger scheme application seeking approval has been subsequently filed with National Company Law Tribunal (NCLT) on September 27, 2019. The application is pending for approval.
- 9 The Company has taken into account the possible impacts of COVID-19 in preparation of the above standalone financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered internal and certain external sources of information including reliable credit reports, economic forecasts and industry reports upto the date of approval of the above standalone financial results and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial results may differ from that estimated as at the date of approval of the standalone financial results.
- 10 Statement of Cash flows is attached in Annexure A.
- 11 The Indian Parliament has approved the Code on Social Security, 2020 which could impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial results in the period in which, the Code and related rules become effective.

For and on behalf of the Board of Directors of  
KPIT TECHNOLOGIES LIMITED (erstwhile KPIT ENGINEERING LIMITED)

Place: Pune  
Date: October 21, 2020

  
S.B. (Ravi) Pandit  
Chairman & Group CEO  
DIN : 00075861

  
Kishor Patil  
CEO & Managing Director  
DIN : 00076190





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**ANNEXURE A: STANDALONE STATEMENT OF CASH FLOWS**

₹ in million

Particulars	Half year ended		Year ended
	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	March 31, 2020 (Audited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit for the period	414.80	1,172.23	1,784.47
<b>Adjustments for:</b>			
Tax expense	33.50	89.66	189.33
(Profit)/loss on sale of property, plant and equipment and intangible assets (net)	(0.06)	0.53	(1.87)
Depreciation and amortization expense	467.19	401.51	837.02
Interest expense	52.04	66.28	121.70
Interest income	(41.32)	(7.83)	(26.62)
Dividend income	-	(11.87)	(13.82)
Exceptional items	(32.03)	-	36.57
Net loss/(gain) on investment carried at fair value through profit and loss	(3.89)	109.97	56.92
Provision for doubtful debts and advances (net)	66.64	4.22	(31.66)
Bad debts written off	36.72	-	0.35
Share based compensation expenses	28.36	8.42	32.06
Unrealised foreign exchange loss/(gain)	49.92	15.78	(115.37)
<b>Operating profit before working capital changes</b>	<b>1,071.87</b>	<b>1,848.90</b>	<b>2,869.08</b>
<b>Adjustments for changes in working capital:</b>			
Trade receivables and unbilled revenue	1,014.30	(1,663.80)	(663.45)
Inventories	0.01	(22.85)	(22.63)
Other financial assets and other assets	6.29	1,005.57	1,482.84
Trade Payables	4.51	67.94	(46.74)
Other financial liabilities and other liabilities	248.17	(271.50)	(530.02)
<b>Cash generated from operations</b>	<b>2,345.15</b>	<b>964.26</b>	<b>3,089.08</b>
Taxes paid (net)	(164.50)	(268.16)	(650.64)
<b>Net cash from operating activities (A)</b>	<b>2,180.65</b>	<b>696.10</b>	<b>2,438.44</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment and intangible assets	(282.98)	(99.89)	(339.61)
Proceeds from sale of property, plant and equipment	0.16	0.84	5.11
Investment in subsidiary	-	(34.63)	(361.27)
Investment in mutual fund	-	(690.00)	(842.00)
Proceeds from sale of investment in mutual fund	-	650.00	842.00
Proceed from sale of investments carried at fair value through profit and loss	20.10	10.21	347.90
Loan given to subsidiary	-	-	(474.00)
Interest received	41.77	0.61	5.77
Dividend received	-	0.95	13.82
Fixed deposits with banks (net) having maturity over three months	(1,397.87)	(1.00)	(1.00)
<b>Net cash used in investing activities (B)</b>	<b>(1,618.82)</b>	<b>(162.91)</b>	<b>(803.28)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from long term loan from banks	-	-	9.04
Repayment of long term loan from banks	(187.94)	(177.81)	(381.82)
Payment of lease liabilities	(116.47)	(81.26)	(170.82)
Payment towards shares issue and listing expenses	-	(0.12)	(0.12)
Proceeds from working capital loan	1,438.45	982.52	1,267.21
Repayment of working capital loan	(1,604.55)	(1,238.55)	(1,705.61)
Proceeds from / (payments for) shares issued / purchased by Employee Welfare Trust (net)	3.12	-	14.48
Dividend paid including corporate dividend tax	-	(243.64)	(568.85)
Interest and finance charges paid	(10.22)	(30.65)	(52.43)
<b>Net cash used in financing activities (C)</b>	<b>(477.61)</b>	<b>(789.51)</b>	<b>(1,588.92)</b>
<b>D Exchange differences on translation of foreign currency cash and cash equivalents</b>	(14.72)	9.31	18.88
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C + D)</b>	<b>69.50</b>	<b>(247.01)</b>	<b>65.12</b>
Cash and cash equivalents at close of the period	524.55	142.92	455.05
Cash and cash equivalents at beginning of the period	455.05	389.93	389.93
<b>Cash surplus / (deficit) for the period</b>	<b>69.50</b>	<b>(247.01)</b>	<b>65.12</b>

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**PART II: STANDALONE BALANCE SHEET**

₹ in million

	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
a. Property, plant and equipment	1,804.77	1,922.70
b. Right-of-use assets	903.93	1,102.08
c. Capital work-in-progress	77.53	49.51
d. Other intangible assets	445.15	448.73
e. Intangible assets under development	0.13	0.13
f. Financial assets		
Investments	4,087.94	4,087.94
Loans	704.25	714.79
g. Income tax assets (net)	154.24	105.17
h. Deferred tax assets (net)	382.27	340.01
i. Other non-current assets	40.10	66.27
	<b>8,600.31</b>	<b>8,837.33</b>
<b>2 Current assets</b>		
a. Inventories	-	0.01
b. Financial assets		
Investments	66.03	82.24
Trade receivables	1,893.81	2,980.03
Cash and cash equivalents	524.55	455.05
Other balances with banks	1,399.95	2.08
Loans	37.52	19.97
Unbilled revenue	212.25	306.89
Other financial assets	388.23	301.00
c. Other current assets	259.13	268.65
	<b>4,781.47</b>	<b>4,415.92</b>
<b>TOTAL ASSETS</b>	<b>13,381.78</b>	<b>13,253.25</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a. Equity share capital	2,689.63	2,688.80
b. Other equity	8,094.09	7,558.60
	<b>10,783.72</b>	<b>10,247.40</b>
<b>Liabilities</b>		
<b>1 Non-current liabilities</b>		
a. Financial liabilities		
Borrowings	26.13	29.73
Lease liabilities	489.55	761.72
b. Provisions	69.05	119.06
	<b>584.73</b>	<b>910.51</b>
<b>2 Current liabilities</b>		
a. Financial liabilities		
Borrowings	-	166.10
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	0.07
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	359.92	354.28
Lease liabilities	148.38	154.18
Other financial liabilities	521.04	688.88
b. Other current liabilities	839.02	583.91
c. Provisions	144.97	147.92
	<b>2,013.33</b>	<b>2,095.34</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,381.78</b>	<b>13,253.25</b>

For and on behalf of the Board of Directors of  
KPIT TECHNOLOGIES LIMITED (erstwhile KPIT ENGINEERING LIMITED)

  
**S.B. (Ravi) Pandit**  
Chairman & Group CEO  
DIN : 00075861

  
**Kishor Patil**  
CEO & Managing Director  
DIN : 00076190

Place: Pune  
Date: October, 21 2020

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# B S R & Co. LLP

Chartered Accountants

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## **Limited review report on unaudited quarterly standalone financial results and unaudited standalone year-to-date results of KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) under Regulation 33 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of **KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)** (“the Company”) for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

B S R & Co. LLP

**Limited review report on unaudited quarterly standalone financial results and unaudited standalone year-to-date results of KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) under Regulation 33 of the SEBI (Listing Obligations Disclosure requirements) Regulations, 2015 (Continued) – 30 September 2020**

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022



**Swapnil Dakshindas**

*Partner*

Membership No.: 113896

UDIN: 20113896AAAADY2388

Place: Pune

Date: 21 October 2020