

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

₹ in million (except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
Revenue from operations	1,982.53	1,906.77	2,292.79	5,650.88	7,374.70	9,552.50
Other income:						
Net gain on investments carried at fair value through profit and loss	2.88	0.68	5.62	6.77	-	-
Interest and dividend income on investments	27.28	16.50	0.28	50.72	12.29	15.37
Others (Refer note 3)	74.47	9.52	93.12	92.83	116.92	216.50
Total Income	2,087.16	1,933.47	2,391.81	5,801.20	7,503.91	9,784.37
Expenses						
Cost of materials consumed	-	-	0.22	-	1.22	1.22
Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-
Employee benefits expense	1,319.13	1,090.20	1,445.36	3,502.80	3,892.08	5,324.94
Finance costs (Refer note 4)	16.17	21.30	28.92	68.21	110.81	151.13
Depreciation and amortization expense	227.93	239.38	217.52	695.12	619.03	837.02
Net loss on investments carried at fair value through profit and loss	-	-	-	-	104.35	56.92
Other expenses (Refer note 3)	248.76	326.63	277.37	843.63	1,092.11	1,402.77
Total expenses	1,811.99	1,677.51	1,969.39	5,109.76	5,819.60	7,774.00
Profit before exceptional items and tax	275.17	255.96	422.42	691.44	1,684.31	2,010.37
Exceptional items (Refer note 7)	-	32.03	-	32.03	-	(36.57)
Profit before tax	275.17	287.99	422.42	723.47	1,684.31	1,973.80
Tax expense						
Current tax	61.07	81.31	167.99	179.71	399.71	469.02
Deferred tax (benefit) / charge	(35.07)	(62.28)	(89.33)	(120.21)	(231.39)	(279.69)
Total tax expense	26.00	19.03	78.66	59.50	168.32	189.33
Profit for the period	249.17	268.96	343.76	663.97	1,515.99	1,784.47
Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	(2.17)	1.47	(8.74)	(6.14)	(30.04)	(29.36)
Income tax on items that will not be reclassified to profit or loss	0.76	(1.11)	0.88	2.59	4.83	6.56
Items that will be reclassified to profit or loss						
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(20.54)	51.55	(17.63)	95.58	(38.68)	(114.38)
Income tax on items that will be reclassified to profit or loss	7.17	(18.01)	6.16	(33.40)	13.52	39.97
Total other comprehensive income/(loss)	(14.78)	33.90	(19.33)	58.63	(50.37)	(97.21)
Total comprehensive income for the period	234.39	302.86	324.43	722.60	1,465.62	1,687.26
Paid up equity capital (face value ₹ 10 per share)	2,689.86	2,689.63	2,687.37	2,689.86	2,687.37	2,688.80
Other equity						7,558.60
Earnings per equity share (face value per share ₹ 10 each)*						
Basic	0.93	1.00	1.28	2.47	5.64	6.64
Diluted	0.92	1.00	1.28	2.46	5.62	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 January 28, 2021. 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 nine months ended December 31, 2020. An unqualified opinion has been issued by them thereon.
- Details of foreign exchange gain/ (loss) included in above results:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
Foreign exchange gain (net) included in other income	65.82	-	85.12	65.82	100.01	187.23
Foreign exchange gain/(loss) (net) included in other expenses	8.43	5.55	-	-	-	-

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4 Details of finance costs:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
Finance cost on lease liabilities as per Ind-AS 116 Leases	14.54	19.47	16.26	56.58	49.85	67.55
Net foreign exchange loss considered as finance cost*	-	(0.70)	5.55	-	21.16	29.43
Interest expense on working capital loan and term loan	1.23	1.63	6.81	8.83	38.87	42.75
Other interest expense	0.40	0.90	0.30	2.80	0.93	11.40
Total finance costs	16.17	21.30	28.92	68.21	110.81	151.13

*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 had consolidated its presence during the previous 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 was 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 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: January 28, 2021

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

Kishor Patil
CEO & Managing Director
DIN : 00076190

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B S R & Co. LLP

Chartered Accountants

8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune - 411001, India

Telephone +91 (20) 6747 7300
Fax +91 (20) 6747 7310

Limited review report on unaudited quarterly standalone financial results and unaudited standalone year-to-date financial 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 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 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.

BSR & 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) – 31 December 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 BSR & Co. LLP

Chartered Accountants

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



Swapnil Dakshindas

Partner

Membership No.: 113896

UDIN: 21113896AAAAAM3635

Place: Pune

Date: 28 January 2021