

KPIT

KPIT Technologies Ltd



Dividend Policy

Revision History

Version No.	Date	Prepared By/ Modified By	Overview of Changes	Approved By
1.0	January 14, 2019	Vinit Teredesai & Nida Deshpande	Original Policy	Board of Directors
1.1	June 17, 2019	Vinit Teredesai & Nida Deshpande	Management Review	Board of Directors

Introduction

Securities Exchange Board of India vide its notification dated July 8, 2016, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, incorporating Regulation 43 A – Dividend Distribution Policy which requires the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Objective

The objective of this Policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this Policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

Dividend Payout

The Company's Dividend Policy shall ensure that it returns cash from operations that is more than its immediate and foreseeable needs back to the shareholders over the period. Interim dividend (if any) is considered for declaration by the Board based on the performance of the Company during the year and final dividend is based on the performance for the full year. The Company shall strive to declare a steady stream of dividends to the shareholders that is in their best long-term interest.

Dividend will be declared out of the current year's Profit after Tax of the Company. In certain circumstances including but not limited to loss after tax in any financial year, the Board may consider utilizing retained earnings for declaration of dividends, subject to applicable legal provisions. The actual quantum of dividend pay-out on a yearly basis will be dependent on the following factors:

Internal Factors	External Factors
• Financial Performance	• Global Economic Outlook
• Cash Flow & Liquidity	• Interest & Forex Volatility
• Forecasted Capital Spend	• Regulatory Changes
• Acquisitions & Divestments	• Changing Competition Landscape
• Interim Dividend / Share Buy-back (If any)	• Any other factor

The final dividend pay-out to shareholders will happen post approval by shareholders in the Annual General Meeting.

The Board may not recommend any dividend if the eligibility criteria for recommendation of dividend has not been met, including any regulatory restrictions on declaration of dividend or if the Board strongly believes the need to conserve capital for growth or other exigencies which will be spelt.

Policy Review

This Policy is issued with the consent of the Board of Directors of the Company and can be amended only with the authority of the Board of Directors. This policy (as amended from time to time) will be available on the Company's website.

Limitation

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.