



## KPIT Technologies Limited

(Formerly KPIT Engineering Limited)

CIN: L74999PN2018PLC174192

**Registered & Corporate Office:** Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase III, Maan, Taluka-Mulshi, Hinjawadi, Pune 411057, India.

**Tel:** +91 20 67706000 | **Email:** grievances@kpit.com | **Website:** www.kpit.com

### POSTAL BALLOT NOTICE

Dear Member(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 of the Companies Act, 2013 (“the Act”) read with the Companies (Management and Administration) Rules, 2014 (“the Rules”) and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs (“MCA”) for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 in view of COVID-19 pandemic (“MCA Circulars”), for the time being in force (including any statutory modification(s) or re-enactments thereof), that the resolutions as appended below be passed by the Member(s) of KPIT Technologies Limited (Formerly KPIT Engineering Limited) (“the Company”) through Postal Ballot voting by electronic means only as Special Resolution(s).

The proposed Special Resolution(s) and the Explanatory Statement stating the facts as required in terms of Section 102 of the Act as appended hereto forms part of this Postal Ballot Notice (“Notice”).

Mr. Jayavant Bhav, Proprietor J. B. Bhav & Co., Company Secretaries, Pune has been appointed by the Board of Directors of Company at its meeting held on Wednesday, May 27, 2020 as the Scrutinizer to scrutinize the postal ballot process including voting by fair and transparent manner.

In accordance with MCA Circulars, Members are requested to communicate their assent or dissent through the e-voting system only. Members are also requested to carefully read all the instructions given in the Notes. The said notice of Postal Ballot is also available on the website of the Company at [www.kpit.com](http://www.kpit.com).

In compliance with Section 108 and 110 of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with MCA Circulars, the Company is pleased to provide the facility to its Members, to exercise their right to vote on the resolutions appended to this Notice, by electronic means (“e-voting”) only. For this purpose, the Company has availed electronic voting platform of KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company for facilitating e-voting. The instructions for e-voting are provided hereunder. E-voting commences on Monday, June 01, 2020 (09:00 a.m. IST) and ends on Tuesday, June 30, 2020 (05:00 p.m. IST). Members are requested to follow the procedure as stated in this Notice for casting their votes by e-voting.

After completion of the scrutiny of the electronic votes, the Scrutinizer will submit his report to the Chairman/ Company Secretary or any other authorized personnel of the Company who shall countersign the same.

The results of the Postal Ballot will be announced not later than 48 hours of conclusion of the e-voting period. The said results would be displayed at the Registered Office of the Company and on its website [www.kpit.com](http://www.kpit.com) and on the website of KFin Technologies Private Limited (<https://evoting.karvy.com>). The results shall simultaneously be intimated to the National Stock Exchange of India Limited and BSE Limited where the shares of the Company are listed.

#### Resolution No. 1:

#### TO APPROVE AMENDMENTS IN ‘KPIT TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION SCHEME 2019A’:

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in partial modification of earlier special resolution passed by the members of the Company by way of postal ballot on July 23, 2019 approving **“KPIT Technologies Limited - Employee Stock Option Scheme 2019A”** (**‘ESOS 2019A’/ ‘Scheme’**), pursuant to the provisions of Regulations 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with the Circular No. CIR/CFD/POLICY

CELL/2/2015 issued by the Securities and Exchange Board of India on dated June 16, 2015 (Collectively referred to as “SEBI SBEB Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the provisions of the Memorandum and Article of Association of the Company, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded to the amended Scheme being revised with the variation of the exercise price per option from ‘market price per share as on date of grant’ to ‘not less than face value of the shares as on date of grant of option as determined by the Nomination & Remuneration (HR) Committee of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include Nomination & Remuneration (HR) Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the proposed amendments in the Scheme and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

## **Resolution No. 2**

### **GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF THE SUBSIDIARY COMPANY(IES) OF THE COMPANY UNDER ‘KPIT TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION SCHEME 2019A’ AS AMENDED:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company, subject further to such other approvals, permissions and sanctions as may be necessary, subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded to offer, create, and grant from time to time, in one or more tranches, such number of employee stock options under the **“KPIT Technologies Limited - Employee Stock Option Scheme 2019A” (“ESOS 2019A”/ “Scheme”)** as amended from time to time, within the limit prescribed therein to or for the benefit of the permanent employees including directors (other than promoter(s), independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), of any subsidiary company(ies), whether in or outside India, as may be decided under the “ESOS 2019A”, exercisable into corresponding number of equity shares of face value of Rs.10/- (Rupees Ten) each fully paid-up, where one employee stock option would convert into one equity share upon exercise and be transferred to the option grantee by the KPIT Technologies Limited Employees Welfare Trust (“Trust”) of the Company, on such terms and in such manner as the Board/ Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2019A.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include Nomination & Remuneration (HR) Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations) be and is hereby authorised to do all such acts, deeds, matters and things and take such steps as may be necessary and desirable to give effect to this resolution.”

By Order of the Board of Directors  
For **KPIT Technologies Limited**  
(Formerly KPIT Engineering Limited)

**Nida Deshpande**  
Company Secretary

Place: Pune  
Date: May 27, 2020

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.
2. On account of threat posed by COVID-19 Pandemic and in terms of the MCA Circulars, the Company will send Postal Ballot Notice only by email to the members who have registered their email addresses with the Company or depository / depository participants and hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the e-voting system only. Therefore, those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below in e-voting Instructions.
3. In light of the MCA Circulars, shareholders who have not registered their email addresses and in consequence the e-voting notice could not be serviced, may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: <https://karisma.kfintech.com/emailreg> Shareholder may also visit the website of the Company for email registration by clicking the link <https://www.kpit.com/investors/#corporate-governance> and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or contact Mr. S V Raju of KFin Technologies Private Limited at 040-67162222 or at 1800 345 4001 (Toll Free).
4. It is clarified that for permanent registration of email address, the shareholders are however requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, India by following due procedure.
5. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices / documents / Annual Reports electronically to their email addresses.
6. The Notice and Explanatory Statement with the requisite enclosures, has also been made available on the website of the Company [www.kpit.com](http://www.kpit.com) and on the website of e-voting agency i.e. <https://evoting.karvy.com> relevant documents referred to in the notice, if any, will be available for inspection on the website of the Company [www.kpit.com](http://www.kpit.com).
7. The notice is being sent to all the Members electronically i.e. by email only as per the said MCA Circulars to those Members who have registered their email addresses with the Company/Depository(s) and whose name appear in the Register of Members/Record of Depositories as on **Friday, May 22, 2020**. A person who is not a member should treat this Postal Ballot Notice for information purpose only.
8. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time & Secretarial Standard-2 issued by the Institute of Company Secretaries of India on General Meeting (SS-2), the Company is offering e-voting facility to enable the Members to cast their votes electronically.
9. Postal Ballot (E-Voting) commences on **Monday, June 01, 2020 (09.00 a.m. IST)** and ends on **Tuesday, June 30, 2020 (05.00 p.m. IST)**
10. A member cannot exercise his/her vote through proxy on postal ballot. However, corporate and institutional members shall be entitled to vote through their authorized representatives. Corporate and institutional members are requested to provide a proof of authorization (board resolution/ authority letter/ power attorney, etc.) in favour of their authorised representatives to the scrutinizer through e-mail to [jbbhave@gmail.com](mailto:jbbhave@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) Alternatively, the aforesaid documents can directly be uploaded on the e-voting portal of KFin Technologies Private Limited, while casting the vote.
11. The resolutions if passed by the requisite majority, will be deemed to be passed on the last date specified for e-voting i.e. **Tuesday, June 30, 2020**.

## Instructions for E-Voting:

### A) The procedure and instructions for e-voting are as follows:

- (i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- (ii) Enter the login credentials (i.e. user-id & password). Your Folio/DP Client ID will be your User-ID.

User –ID	For Members holding shares in Demat Form:- a) For NSDL :-8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID c) For Members holding shares in Physical Form:- Event No. (5294) followed by Folio Number registered with the Company
Password	Your unique password is sent via email forwarded through the electronic notice. In case you do not remember password then click on forgot password option to reset the same.
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) You will now reach Password Change menu wherein you are required to mandatorily change login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through KFin Technologies Private Limited’s e-Voting platform. System will prompt you to change your password and update any contact details like mobile no, email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event' i.e., 'KPIT Technologies Limited'.
- (vii) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and cast your vote earlier for any company, then your exiting login id and password are to be used.
- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast the vote, select 'ABSTAIN'.

After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (ix) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (x) Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [jbbhave@gmail.com](mailto:jbbhave@gmail.com) with copy to [evoting@kfintech.com](mailto:evoting@kfintech.com). The file scanned image of the Board Resolution should be in the naming format “Corporate Name\_ Event no.”
- (xi) In case of any queries related to e-voting, you may refer to the Frequently Asked Questions (FAQ's) and e-voting user manual available in the “Downloads” section of '<https://evoting.karvy.com>' or contact Mr. S V Raju of KFin Technologies Private Limited at 040-67162222 or at 1800 345 4001 (Toll Free).

**B) In case of shareholders have not registered their email addresses:**

On account of threat posed by COVID-19 pandemic and in terms of the MCA Circulars, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the shareholders for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the e-voting system only. Therefore, those shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

1. In light of the MCA Circulars, shareholders who have not registered their email addresses and in consequence could not receive the e-voting notice may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: <https://karisma.kfintech.com/emailreg> and following the registration process as guided thereafter and mentioned herein below:

**Electronic folios**

- (a) Visit the link <https://karisma.kfintech.com/emailreg>
- (b) Select the company name
- (c) Shareholder to enter DPID-CLID / Folio No. and PAN
- (d) Shareholder to enter the email id and Mobile No.
- (e) System check the authenticity of the client id and PAN and send the different OTPs to Mobile and Email to Validate.
- (f) Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. only).
- (g) System confirms the email id for the limited purpose of serviced postal ballot notice.
- (h) System will send the notice & procedure for e-voting to the email given by shareholder

**Physical folios:**

- (a) Visit the link <https://karisma.kfintech.com/emailreg>
- (b) Select company name
- (c) Shareholder to enter physical Folio No and PAN
- (d) If PAN is not available in the records, shareholder to enter one of the Certificate No.
- (e) Shareholder to enter the email id and Mobile No.
- (f) System check the authenticity of the Folio No. and PAN/Certificate No and send the different OTPs to Mobile and Email to Validate. Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. only).
- (g) If PAN is not available, system will prompt to upload the duly signed scan copy of the PAN.
- (h) System confirm the registration of email id.
- (i) System will send the notice & procedure for e-voting to the "email" given by shareholder.

Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and the Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

2. It is clarified that for permanent registration of email address, the shareholders are however requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, India by following due procedure.
3. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices / documents / Annual Reports electronically to their email addresses.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013 AND THE REGULATION 6(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 (“SEBI SBEB REGULATIONS”)**

**RESOLUTION NO. 1 & 2 :**

Your Company had implemented the ‘KPIT Technologies Limited - Employee Stock Option Scheme 2019A’, with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Scheme was approved by the members of the Company by way of special resolution dated July 23, 2019 which contemplates grant of options from time to time with the exercise price being the market price of equity shares as on date of grant.

Due to the current downturn in general economy caused by COVID-19, the outstanding employee stock options have become significantly underwater that is the current market price of the underlying shares has fallen much below the exercise price and also the market price of the shares has become quite volatile. These circumstances have rendered the options unattractive for the key employees whom options were granted seeking their retention and motivation for greater corporate growth and creation of shareholders’ value. During these times of economic turbulence, there is a greater need for retaining key and critical talents not only for business stabilization but also for a robust coming back into growth trajectory.

Stock options are known to be effective alternatives of cash compensation and could be instrumental in conserving cash in times of need. Given the imperative that these key talents should have stake in the Company as a co-owner, and that with a view to provide them a cushion against uncertain market price volatilities, it is considered expedient to have flexibility in determining the exercise price so as to use the limited stock option pool available for grant efficaciously.

In this background, it is thought expedient to rationalise the Scheme in terms of revising the existing provision on exercise price by seeking a discretion as to maximum discount in pricing so as to ensure relatively lesser use of options for a given amount of benefit which may also result in an overall longer period of usage of available stock option pool.

It was noted that the proposed revision/ amendment in the Scheme is not detrimental to the interests of the employees and that the beneficiaries of the proposed revision/ amendment shall be such eligible employees of the Company and its subsidiary company(ies) whom fresh grant will be made.

In terms of Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), your approval is required for this proposed modification in the exercise price. Subject to your approval, the Nomination & Remuneration (HR) Committee (“Committee”) and the Board of Directors of the Company have approved the amended ESOS – 2019A vide their respective resolutions dated May 26, 2020 and May 27, 2020 respectively.

Given the details of variation/ amendment, rationale thereof and beneficiaries of such variation, as per SEBI SBEB Regulations, your approval is sought for the variation/ amendment to the Scheme in the lines stated above.

Features of Scheme after amendment shall remain the same as originally approved except in respect of exercise price (specified at point ‘f’ below). However, the features are reproduced in terms of SEBI SBEB Regulations, as under:

**a. Brief description of the Scheme**

The Scheme is being implemented with a view to attract, retain, incentivise and motivate key talents of the Company and its subsidiary company(ies) that would lead to higher corporate growth and shareholders’ value. Options granted shall vest only after satisfaction of vesting conditions. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company from the Trust subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOS 2019A. All questions of interpretation of the ESOS 2019A shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOS 2019A.

**b. Total number of Options under the Scheme**

The Scheme as originally approved contemplated not exceeding 37,93,923 (Thirty-Seven Lakhs Ninety-Three Thousand Nine Hundred and Twenty Three) options exercisable into same number of equity shares of the Company of face value of Rs. 10/- each fully paid up, to be transferred by the Trust to the concerned Employee upon exercise.



Further, SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under the ESOS 2019A remain the same after any such corporate action. Accordingly, if any additional options issued to the option grantees for making such fair and reasonable adjustment, the aforesaid ceiling of options/ shares shall be deemed to be increased to the extent of such additional options issued.

**c. Identification of classes of employees entitled to participate in the Scheme**

All permanent employees and Directors (hereinafter referred to as “Employees”) of the Company including that of its subsidiary company(ies) shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- (i) a permanent employee of the Company who has been working in India or outside India;
- (ii) a director of the Company, whether a whole-time director or not but excluding an independent director;
- (iii) an employee, as defined in sub-clauses (i) or (ii) in this para, of a subsidiary company(ies), whether present or future, in India or out of India, of the Company, if any.

but does not include—

- (i) an employee who is a promoter or belongs to the promoter group; and
- (ii) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

The Company has already taken members’ prior approval for grant of options under the Scheme as originally contemplated vide special resolution dated July 23, 2019.

**d. Requirements of vesting and period of vesting**

All the options granted on any date shall vest not earlier than minimum period of 1 (One) year and not later than a maximum period of 4 (Four) years from the date of grant of options as may be determined by the Committee. The Committee may extend, shorten or otherwise vary the vesting period from time to time subject to these minimum and maximum vesting period.

The vesting dates in respect of the options granted under the ESOS 2019A shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

**e. Maximum period within which the options shall be vested**

All the options granted on any date shall vest not later than a maximum of 4 (Four) years from the date of grant of options as stated above.

**f. Exercise price or pricing formula**

Exercise price per Option shall be determined by the Committee which shall not be lesser than the face value of the share (Rs. 10/-) as on date of Grant of Option.

[Prior to amendment proposed in this resolution, this clause was read as “*Exercise price will be the Market Price of the Company, subject to the condition that the Exercise Price will not be less than the face value of the share (Rs. 10/-) under any circumstances*”]

**g. Exercise period and the process of Exercise**

The Exercise period would commence from the date of vesting and will expire on completion of 5 (five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the option grantees by a written application to the Company/Trust expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee or Trust from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.

**h. Appraisal process for determining the eligibility of employees under the Scheme**

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous year(s), contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

**i. Maximum number of Options to be issued per employee and in aggregate**

The maximum number of options that may be granted to any specific employee of the Company per employee and in aggregate under the ESOS 2019A shall not exceed 5,00,000 (Five Lakh) options.

**j. Maximum quantum of benefits to be provided per employee under the Scheme**

The maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

**k. Route of Scheme implementation**

The ESOS 2019A is being implemented and administered through KPIT Technologies Limited Employees Welfare Trust ('Trust').

**l. Source of acquisition of shares under the Scheme**

The ESOS 2019A contemplates use/transfer from Trust's existing shareholding comprising of equity shares acquired from primary/fresh issue and secondary acquisition.

**m. Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.**

This is currently not contemplated under the present ESOS 2019A. In case any loan shall be proposed to be provided to the Trust in future appropriate approvals shall be obtained prior to extending any loan to the Trust as per SEBI SBEB Regulations and other applicable laws.

**n. Maximum percentage of secondary acquisition**

ESOS 2019A does not contemplate any further acquisition from secondary market.

**o. Accounting and Disclosure Policies**

The Company shall follow the IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

**p. Method of option valuation**

The Company shall adopt 'fair value method' for valuation of options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

**q. Declaration**

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Board's Report.

The Notice and Explanatory Statement with the requisite enclosures, has also been made available on the website of the Company [www.kpit.com](http://www.kpit.com) and on the website of e-voting agency i.e. <https://evoting.karvy.com>, relevant documents referred to in the notice, if any, will be available for inspection on the website of the Company [www.kpit.com](http://www.kpit.com)

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent of their entitlements, if any, under the Scheme.

In light of above, you are requested to accord your approval to the Special Resolution(s) as set out as resolution no. 1 and 2 of the accompanying notice.