August 25, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.

Scrip ID: KPITTECH
Scrip Code: 542651

Kind Attn: The Manager,
Department of Corporate Services

National Stock Exchange of India Ltd.,
Exchange Plaza, C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai – 400051.

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Listing Department

Dear Sir / Madam,

Sub: Response to Stakeholders Empowerment Services (SES) Voting Recommendations - KPIT Technologies Limited (9th Annual General Meeting to be held on August 31, 2026).

We have received Voting Recommendations concerning the notice of the 9th Annual General Meeting to be held on August 31, 2026, from Stakeholders Empowerment Services (SES), Proxy Advisor firm for:

<u>Resolution No. 5:</u>
To consider and approve to maintain the remuneration limit payable to Non-Executive Directors for a further period of five years commencing from FY 2026-27.

<u>Resolution No. 6:</u>
To consider and approve to maintain the remuneration limits payable to Executive Directors for a further period of five years commencing from FY 2026-27.

<u>Resolution No. 9:</u>
Reappointment of Mr. Chinmay Pandit (DIN: 07109290) as Whole-time Director of the Company, for a further period of five years with effect from July 26, 2027, to July 25, 2032.

In this regard, please find attached our response to the recommendation of SES as:
- Clarification on Resolution No. 5, 6 and 9 as set out in the Notice of the 9th Annual General Meeting.

Please disseminate this letter through your platform so that Shareholders can consider it while taking their voting decision.

This is for your information and records.

Thanking you,
Yours faithfully,
For **KPIT Technologies Limited**

ASHISH MALHOTRA
Digitally signed by ASHISH MALHOTRA
Date: 2026.08.25 15:37:38 +05'30'

Ashish Malhotra
General Counsel & Company Secretary

Clarification on Resolution No. 5, 6, and 9 as set out in the Notice of the 9th Annual General Meeting

We refer to the Proxy Advisory and Corporate Governance Report issued by Stakeholders Empowerment Services ("SES") in relation to the 9th Annual General Meeting ("AGM") of KPIT Technologies Limited (the "Company"). The Company appreciates SES's engagement and sets out below its response to the AGAINST recommendations on Resolutions 5, 6 and 9 as set out in AGM Notice.

At the outset, the Company respectfully submits that each concern is addressed by the disclosures in the AGM Notice and the clarifications below. The proposals do not create an entitlement to remuneration beyond the stated limits and applicable law.

1. Resolution 5 – Payment of Remuneration to Non-Executive Directors

SES's concern. SES has raised a transparency concern regarding the historical distribution of commission among Non-Executive Directors ("NEDs"), noting that late Mr. S. B. (Ravi) Pandit received ₹1.98 crore in FY 2025-26 compared with an average of approximately ₹0.59 crore for the other NEDs. SES has also noted that the proposal does not set an absolute cap for each NED and has sought clarity on whether Dr. Nirmala Pandit will receive similar differential remuneration.

Company's response. Resolution 5 does not increase the remuneration limit. It seeks to maintain the existing limit of 2% of the Company's net profits, in addition to sitting fees, for a further five-year period commencing FY 2026-27. The same 2% limit was approved by the Members at the 2021 AGM for FY 2021-22 to FY 2025-26.

For the avoidance of doubt, Dr. Nirmala Pandit will be remunerated on the same basis as the other Independent Directors. The Notice under Resolution 10 expressly states that she will be entitled to sitting fees and commission in the same manner as any other Independent Director. No special or differential remuneration is proposed for her by reason of her status as a promoter NED or otherwise.

The historical payment to late Mr. S. B. (Ravi) Pandit reflected his exceptional contribution to KPIT. He was a Co-Founder and Chairman and had been associated with the Company for more than 37 years. The commission paid to him was intended to recognise his extraordinary contribution, strategic guidance and stewardship of the Company; it was not a differential practice proposed for promoter NEDs generally.

The Company acknowledges that Resolution 5 does not prescribe a separate absolute cap for each NED. The proposal instead maintains the existing aggregate 2% ceiling, which has not been fully utilised in the past, and does not create an automatic entitlement to that amount. More importantly, the Company confirms that no differential practice is proposed for any promoter NED going forward.

Accordingly, the historical circumstances relating to Mr. Pandit should not be treated as an indication of the remuneration proposed for Dr. Nirmala Pandit or any other promoter NED. The Company believes that the Notice and these clarifications address the transparency concern while preserving a remuneration framework that recognises the contributions of NEDs.

2. Resolution 6 – Remuneration Limits for Executive Directors

SES's concern. SES has treated the proposal as an umbrella approval that increases the limits from 5% to 8% for an individual Executive Director ("ED") and from 10% to 15% collectively, without disclosing a maximum amount for each ED. SES has also noted that past remuneration remained within statutory limits and has stated that it does not support umbrella approvals.

Company's response. Resolution 6 does not seek an increase to the limits already approved by shareholders. The 8% individual and 15% collective limits were approved at the 2021 AGM for FY 2021-22 to FY 2025-26, and the present proposal seeks only to maintain those same limits for a further five years commencing FY 2026-27. The references to 5% and 10% are the statutory thresholds; they are not new limits being sought by the Company at this AGM. The related overall maximum managerial remuneration limit of 11% follows from the same framework and remains subject to the Companies Act and SEBI (LODR) Regulations.

The reason for maintaining this flexibility is operational, not to authorise unbounded remuneration. KPIT is executing a transformation from a pure services company to an AI-led Products & Platform Company. This requires a separate leadership structure for the product organisation and may require the Company to onboard seasoned international business leaders and domain experts as EDs or NEDs, including individuals based outside India. Their compensation may be set by local market conditions, foreign-currency benchmarks and long-term incentive structures such as ESOPs.

The Company also needs flexibility to assign EDs to and recruit leadership for its global operations. ED responsibilities extend to the consolidated KPIT Group rather than only the standalone Company. The scale of that responsibility is reflected in consolidated revenue of ₹6,455 crore compared with standalone revenue of ₹2,608 crore. A ceiling calculated solely by reference to standalone profits does not fully reflect the scope, scale and complexity of the Group's operations.

Resolution 6 is not a substitute for shareholder approval of individual remuneration. The remuneration of the proposed ED reappointments is separately placed before shareholders under Resolutions 8 and 9 as ordinary resolutions, with the relevant remuneration terms and caps disclosed and within applicable legal limits. Shareholders therefore retain direct oversight of each proposed ED's remuneration; existing terms for the other EDs have already been approved in dedicated shareholder resolutions.

The Company's actual use of the framework has also been prudent. Total remuneration paid to all EDs in FY 2025-26 was ₹197.54 million, against ₹691 million of available limits under the Companies Act (10% of net profits). This demonstrates that the approval has not been used as a basis for routine or excessive remuneration.

For these reasons, Resolution 6 is a continuation of an existing, shareholder-approved framework that provides necessary flexibility while preserving statutory limits, individual resolutions and shareholder oversight. It is not a request for an increased or unbounded remuneration pool.

3. Resolution 9 – Reappointment of Mr. Chinmay Pandit as Whole-time Director

SES's concern. SES has raised a transparency concern that the Notice does not disclose remuneration, if any, payable by subsidiary companies—specifically Caresoft Global Technologies, Inc., Technica Engineering Inc. and CAREGLOTECH de RL de CV—where Mr. Pandit was newly appointed as a director. SES therefore considers that his total remuneration on a consolidated basis cannot be ascertained.

The Company respectfully submits that the concerns raised by IiAS have been adequately addressed in the Explanatory Statement to the AGM Notice, and wishes to draw the attention of shareholders to the following:

- Detailed Remuneration Disclosure in the AGM Notice

The Explanatory Statement to Item No. 9 of the AGM Notice (page 16 and 17) provides a comprehensive breakdown of Mr. Chinmay Pandit's remuneration for the proposed tenure commencing July 26, 2027, which is evident from the following para on page 16 of the notice:

Brief terms and conditions of reappointment of Mr. Chinmay Pandit are given below:

"The total remuneration payable to Mr. Chinmay Pandit is ....in Item No. 6 of this notice.

The total remuneration payable with effect from July 26, 2027, is as below:"

Brief summary of remuneration structure of Mr. Chinmay Pandit as disclosed in the AGM Notice (Page 16 and 17) is as under:

- Fixed compensation from the Company: INR 23 million per annum (comprising up to 60% fixed salary, including basic salary, perquisites and other allowances, and the balance as variable performance incentives).

- Annual increment cap: A maximum annual increase of up to 15% of total compensation (fixed salary and variable performance incentive), as determined by the Board on the recommendation of the Nomination and Remuneration (HR) Committee.

- Cash bonus cap: Not exceeding INR 10 million per annum, driven by the Company's accomplishment of short- and medium-term strategic goals, including financial results (revenue and profitability targets) and individual performance benchmarks.

- Other benefits: Provident fund, gratuity, leave encashment, annual health check-up, group medical and personal accident insurance, companymaintained chauffeur-driven car, and club fees — all as per prevailing Company policy.

These disclosures provide shareholders with specific quantitative ceilings for each component of remuneration from the Company.

Mr. Chinmay Pandit, being deputed in the USA, received remuneration in USD equivalent of INR 56.97 Mn from KPIT Technologies Inc. including Variable Performance Incentive in FY 2025-26, which has been benchmarked against the local peer salaries of the subsidiary. We further wish to clarify that, in case post July 2027 he is deputed to USA subsidiary or any other entity, he may receive in aggregate, an annual increase of up to 10% from the base of INR 57 Mn based on his key result areas and the Company's financial performance, as approved by the Board on the recommendation of the Nomination & Remuneration (HR) Committee. However, in all cases his remuneration will always be below the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., 2.5 % of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013. We also wish to clarify that Mr. Chinmay Pandit will get his remuneration either from the Company or its subsidiaries.

The Company believes that the proposed remuneration framework provides the necessary flexibility to compensate a Key Executive operating in a global capacity while maintaining a clear, capped remuneration structure.

In light of the above, the Company respectfully requests SES to reconsider its AGAINST recommendations on Resolutions 5, 6 and 9 and to support the resolutions. The Company remains committed to transparent remuneration practices, prudent use of shareholder-approved limits and appropriate shareholder oversight.

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