

Dividend Distribution Policy

1. Introduction

The Board of Directors of Hexaware Technologies Limited (the “Company”) has adopted this policy, for distribution of Dividend in line with the regulation 43A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 inserted pursuant to Notification No. SEBI/LAD-NRO/GN/2016- 17/008 dated July 08, 2016, (here in after referred as **Listing Regulations**).

This Policy will regulate the process of dividend declaration (Interim and Final) and its pay-out by the Company in accordance with the provisions of Companies Act 2013, read with the applicable Rules framed there under, as may be in force for the time being (“Companies Act”).

2. Objective

As per regulation 43A of Listing Regulations, the Company is required to frame a Dividend Distribution Policy.

3. Definitions:

- a) ‘Act’ means the Companies Act, 2013 and Rules made thereunder, including any amendments or modifications thereof.
- b) ‘Board of Directors’ or ‘Board’ means the collective body of the Directors of the Company.
- c) ‘Company’ mean Hexaware Technologies Limited.
- d) ‘Policy’ means, ‘Dividend Distribution Policy’.

4. Factors to be considered for declaration of dividend(s):

The board of Directors shall declare / recommend the dividends considering inter alia the following

i. Financial parameters to be considered while declaring dividend:

The financial parameters that may be considered before declaring dividend are profitability, Operating cash flow, present and future capital requirements, future growth and profitability outlook, investments to be made by the Company etc.

ii. Internal and external factors to be considered while declaring dividend:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed amongst shareholders and amount of profit to be retained in business. The Board of Directors will endeavor to take a decision with an objective to enhance

shareholders wealth and market value of the shares. However, the decision regarding pay-out is subject to several internal and external factors some of which are listed below (not exhaustive):

Internal:

- Operating plans, / budgets
- Capital budgets
- Working capital needs
- Financial results
- Investments
- Mergers and Acquisitions (M&A)
- Strategic policy
- Funding arrangements
- Any other matter

External

- competition
- social, legal and technological changes,
- the economic and political environment etc.
- Any other matter / risks

iii. Usage of retained earnings:

The Company shall strive to conserve resources for its future growth plans. Retained earnings would be used to meet with Business expansion and other plans of the Company.

iv. Any other relevant factors that the Board may deem fit to consider before declaring Dividend

Circumstances under which shareholders may or may not expect dividend :

The Board of the Company may not recommend any dividend if the eligibility criteria for recommendation of dividend have not been met by the Company, including any regulatory restriction placed on the Company or its subsidiaries on declaration of dividend or if the Board strongly believes the need to conserve capital, including for contingencies or unforeseen future events. Further, the Board may recommend lower dividend or may not recommend any dividend in the event of inadequacy of profits or whenever the Company has incurred losses.

Parameters To Be Adopted with Regard To Various Classes Of Shares

Since the Company has only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

5. Disclosure :

The policy shall also be uploaded on the website of the Company at www.hexaware.com

6. Policy Review and Amendment:

This policy shall be reviewed from time to time so that the policy remains compliant with applicable legal requirements. Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit.

7. Precedence:

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.