

March 26, 2020

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

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

Scrip ID: KPITTECH
Scrip Code: 542651

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Department of Corporate Services

Kind Attn: The Manager,
Listing Department

Subject: - Company Update - COVID-19
Ref: - Regulation 30 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations 2015.

Dear Sir / Madam,

Please find enclosed Company update-COVID-19.

Request you to please take the same on your records and further dissemination.

Thanking you.

Yours faithfully,

For **KPIT Technologies Limited**
(Formerly *KPIT Engineering Limited*)

SD/-

Nida Deshpande
Company Secretary & Compliance Officer
Contact Details: Request you to refer details given in the presentation

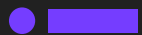
Encl.:- As mentioned above.

(As the CoVID 19 virus has hit populations around the world including India and has resulted in many restrictions like free movement of people, we are submitting announcement with "SD/-" instead of actual sign for the purpose of ease of submission of compliance)



March 26, 2020

Company Update on COVID 19



KPIT Technologies Ltd

Forward Looking Statements

Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce Their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry

COVID-19 Current Environment

The whole world is putting up a united fight against Covid-19 pandemic and these are unprecedented exceptional times we all are experiencing.

We sincerely hope everybody is taking enough care to ensure the safety of oneself, family and in general, ensuring the spread of the virus is curtailed.

In this unprecedented environment, we would like to apprise you all on the business scenario changes that we at KPIT are experiencing and the collective response of the KPIT family to these changing times.

While we all are witnessing unprecedented happenings globally, we urge you to stay
Safe, Healthy and Positive .

Customers



Though some of the factories have temporarily closed, engineering departments are working uninterrupted, albeit remotely



Every business is charting in unknown territory and we believe it will take around 30-60 days for getting better clarity on the situation and the exact course of action. We believe the disruption in Automotive industry will create more opportunities in the medium term.



We have a healthy pipeline and some large deal discussions are progressing as per agreed timelines

While we all are witnessing unprecedented happenings globally, till now we have not sensed any meaningful impact on engineering spend.

Development Centers



India

95%+ of Pune and Bangalore development teams are working from home. While there are initial teething troubles, we are moving towards 100% remote working



Japan : Teams are working remotely with minimal disruption

China : After a couple of months of extreme caution, teams are now fully working either from our center or client locations



Europe

In Germany, after initial disruption, majority of our teams are working remotely. In rest of Europe, our people are working as per client guidelines



US

Our teams are working as per client guidelines & bulk of the team is working remotely.

We have responded to the current situation swiftly and the resultant business disruption is temporary.

People



The safety of our people and their families is of paramount importance to us. We are in constant communication with our teams across the globe for any assistance that they might need.

All our offices globally are at almost complete work from home basis. Since the past 3 weeks, we have stepped up on communication regarding the safety of our employees and their families.



All travel is currently suspended. We anticipate the people movement restrictions to continue for some time – minimum 30 days. We are geared up for the same.

While there were initial glitches, we have moved towards almost a complete work from home, globally

Comprehensive Actions

1 Response Team

Cross Functional Rapid Response team in action and meets twice a day to review ongoing implementation. The Executive Board will meet once every week for strategy & policy decisions.

2 Employee Safety

Strong Communication, Work from Home for 95%+ Staff, Moving towards 100% remote working.

3 Cash and Liquidity

Conserving Cash is the need of the hour. All non-critical capex frozen, cost reduction initiatives identified and actions started.

4 Client Management

Every T25 Client response is carefully studied and regular calls with the clients to decide the immediate action items and the medium-term thought process.

5 Business Plan

Annual Operating Plan is focusing on Cost reduction, Cash Conservation and offshoring to ensure seamless delivery.

6 Execution

We are reconfiguring the execution process to ensure continuity and productivity with remote working and offshoring.

We have been working proactively to minimize the impact and have setup the operational infrastructure to respond to the current situation

Impact



There have been temporary disruptions at our development centers globally which will have slight impact on the current quarter revenues.



As a response to the current situation, we are moving certain teams offshore from client locations and/or our global centers. With this movement, the FY21 offshore volumes would go up. Hence overall dollar revenues will be affected. There will be certain minor disruptions due to travel restrictions



We have not seen any engineering spend being cut. Our pipeline continues to be healthy. We continue to monitor the situation closely.

We continue to work hard to keep our commitments towards our employees, clients and the society at large.

Contact

For Investor Queries



Email
Sunil.Phansalkar@kpit.com



Desk Phone
+ 91 20 6770 6997



Cell
+ 91 98509 66011



Website
www.kpit.com



Sunil Phansalkar

KPIT

THANK YOU

