

Ref: 8K/CHN/2017-18/E011  
6<sup>th</sup> September 2017

The Deputy General Manager, Department of Corporate Services, Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	The General Manager, Listing Department, National Stock Exchange Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Scrip Code: 512161 - ISIN NO-INE650K01021	EQ- 8KMILES – ISIN NO- INE650K01021

Dear Sir/Madam,

**Sub: Outcome of Board Meeting held on September 5, 2017- Disclosure pursuant to Regulation 30 (as specified in Part A of Schedule III) of SEBI Listing Obligation and Disclosure Requirements, 2015**

Please be informed that the meeting of Board of Directors of the Company was held on Tuesday, 5<sup>th</sup> September 2017 at the Registered Office of the Company at “Srinivas” Towers, No. 5, Cenotaph Road, II Floor, Teynampet, Chennai-600018. The Meeting commenced at 6.00 PM and concluded at 7.45 PM. The Board of Directors of the Company met and revisited all the agendas in the notice convening 32<sup>nd</sup> Annual General Meeting (AGM) to be held on September 30, 2017.

Earlier the agenda related to the Annual General Meeting was discussed in the Board meeting held on August 28, 2017. During that meeting, the Board has confirmed all the agendas except recommendation of dividend for the financial year ended March 31, 2017, as Board has received concerns on the proposed dividend and decided to take an informed decision on same. Further, with a view to avoid any confusion, Board had decided not to revise the same, unless it comes at final decision. However, based on input received by the Board subsequently, the Board has decided to revise the dividend to be proposed to shareholders at the ensuing Annual General Meeting and accordingly, Board has presently decided revised recommendation of dividend of Re. 1/- per equity share at the AGM for approval of shareholders. The revised AGM notice dated September 5, 2017 has been approved by Board.

**Reason for Revision of Dividend:**

The Board in its meeting held on May 10, 2017 recommended to the shareholders for their approval a dividend of Rs. 7 per equity share. While proposing the dividend for shareholders approval, the Board has taken into consideration of “**Consolidated accounts**” and recommended the dividend to the extent of profit available in consolidated Financials.

However, recently Board was informed that as per the **provisions of the Section 123 of the Companies Act, 2013**, dividend shall be declared or paid by a company for any financial year only out of the profits of the company for that year after providing for depreciation or out of the profits of the company for any previous financial year or years and not transferred to reserve after depreciation and remaining undistributed, or out of both. Board was further informed that as per the provisions in case of inadequacy or absence of profits, company can declare dividend out of the accumulated profits earned by it in previous years and transferred to the reserves and after compliance with the rules. Also for this purpose only **"Standalone Financials"** to be considered and NOT Consolidated financials. The Board was further advised that any dividend outside the above provisions will be improper dividend.

In view of the above, the board has revised the dividend of Re.1 per equity share, based on the information received and to be compliant with the **provisions of the Section 123 of the Companies Act, 2013**, without deviating from its intention to distribute the dividend.

The financial position of the subsidiary is strong and hence Board expects to receive and realize the profit from its subsidiaries into the books of Standalone Accounts and will utilize the same to pay the dividend during the forthcoming period. The Board has earlier, i.e. during the last year has provided bonus shares by capitalization of reserve.

Since, the Board cannot make futuristic statement, the dividend will be decided based on realization of the profit by the Standalone entity, subject to limitation placed under the Act. However, Board has all the intention to declare the dividend on realization in the forthcoming period.

Please take a note of the above at your end.

Thanking You,

Yours Truly,

**For 8K Miles Software Services Limited**



**Jayashree Jagannathan**  
**Company Secretary & Compliance Officer**

**8K Miles Software Services Limited**

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