



DIVIDEND DISTRIBUTION POLICY

Approved by:	Board of Director
Effective date:	21st October 2016
1st revision on:	13th November 2024





1. OBJECTIVE

- 1.1.** To regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Regulations), Companies Act, 2013 (the Act) read with the applicable Rules framed thereunder.
- 1.2.** The objective of this Policy is to ensure a sustainable dividend income and maximise wealth of the shareholders for all stakeholders of the Company. The Company would endeavour to strike the right balance between the dividend paid and profits retained in the business for various purposes, subject to applicable laws.

2. PREAMBLE

- 2.1.** The profits earned by the Company can either be retained in business, used for operations, acquisitions, expansion, capex, capitalisation of reserves, diversification or distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to lay down the basic principles to be adhered to while declaring dividend.
- 2.2.** The Board of Directors will refer to this Policy while declaring/ recommending dividends.

3. SCOPE

- 3.1** The Policy set out herein relates to Equity Share Capital in accordance with the provisions of Section 43 of the Act.

4. FACTORS TO CONSIDER WHILE DECLARING DIVIDEND

Declaration/Recommendation of Dividend shall be the prerogative and at the discretion of the Board of Directors. In the event the performance/ future requirements so require, it shall be open to the Board of Directors not to declare any dividend. It shall also be open to the Board of Directors to declare special dividend in exceptional circumstances if it deems fit.

4.1. Financial:

While recommending/declaring dividend, the Board will consider financial parameters, including but not limited to:

- i. Operating results and overall financial positions;



- ii. Working capital requirements;
- iii. Capital expenditure requirement including for inorganic growth, if any;
- iv. Debt servicing requirements of the Company, its Subsidiaries, its Associates and Joint Venture;
- v. Utilization for Buy-Back of securities of the Company; and
- vi. any other circumstances that Board may consider in deciding the declaration of dividend or quantum thereof.

4.2. Internal and External:

While recommending/ declaring Dividend, the Board will Consider Internal and External Factors such as:

- i. Possibility of earning consistent profit;
- ii. Global Market Conditions;
- iii. Tax Policy;
- iv. Restrictions imposed by the Companies Act and other applicable legislation, if any, with regard to declaration of dividend in this regard;
- v. State of the Economy of the Country;
- vi. Prevalent market/industry practices.

5. DECLARATION OF DIVIDEND

The Companies Act, 2013 provides for two types of Dividends i.e. Final & Interim. The Board of Directors may declare either Interim or Final or both types of dividends from time to time in their absolute discretion. While declaring dividend the Board of Directors shall endeavour that the Payout ratio shall not be less than 20% of the consolidated net profit of the Company in any financial year, except in cases where the Board deems fit to declare it at lower percentage.

6. REVIEW AND AMENDMENT

The Board of Directors of the Company may, subject to applicable laws, amend, modify any or all clauses, suspend or rescind this Policy at any time.

In case of any subsequent amendment / modification in the Listing Regulations, Act and/or other applicable laws which may be inconsistent with any of the provisions of this policy than such provision(s) of the policy will automatically stands modified/ amended to that extent.

This Policy has been amended, approved and by the Board of Directors at its meeting held on 13th November 2024.
