DIVIDEND DISTRIBUTION POLICY

1.0 Introduction

1.1 As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy.

1.2 The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

2.0 Target Dividend Payout

2.1 Dividend will be declared out of the current year's Profit after Tax of the Company.

2.2 Only in exceptional circumstances including but not limited to loss after tax in any particular financial year, the Board may consider utilising retained earnings for declaration of dividends, subject to applicable legal provisions.

2.3 'Other Comprehensive Income' (as per applicable Accounting Standards) which mainly comprises of unrealised gains/ losses, will not be considered for the purpose of declaration of dividend.

2.4 The Board will endeavour to achieve a dividend payout ratio (gross of dividend distribution tax, if any) in the range of 25% to 40% of the Standalone Profit after Tax, after dividend payout to preference shareholders, if any.

2.5 The aforesaid payout ratio is intended to serve as a guiding framework and shall not restrict the Board from recommending a dividend lower than the cited range considering the future capex, growth forecast, contingency plan, etc., or a higher dividend, including a special or one-time dividend, where warranted by exceptional financial performance, achievement of remarkable milestone, significant value creation, surplus cash availability, or other factors considered appropriate by the Board.

3.0 Factors to be considered for Dividend Payout

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividend:

- Stability of earnings
- Cash flow position from operations
- Future capital expenditure, inorganic growth plans and reinvestment opportunities

- Industry outlook and stage of business cycle for underlying businesses
- Leverage profile and capital adequacy metrics
- Overall economic / regulatory environment
- Contingent liabilities
- Past dividend trends
- Buyback of shares or any such alternate profit distribution measure
- Any other contingency plans

4.0 General

Retained earnings will be used for the Company's growth plans, working capital requirements, debt repayments and other contingencies.

5.0 Review

This policy would be subject to revision/ amendment on a periodic basis, as may be necessary.

6.0 Disclosure

This policy (as amended from time to time) will be available on the Company's website and in the annual report.