

Divided Distribution Policy

Pursuant to the provisions of Clause 43-A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is publishing its Dividend Distribution Policy, which was already approved by the Board of Directors at their meeting held on 16-09-2014.

Basic Policy:

The net cash surplus of the Company, after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, may be distributed among the shareholders as dividend for the financial year concerned, either as interim and/or final dividends. The quantum and timing will be decided by the Board of Directors, at their discretion.

(a) The circumstances under which the shareholders of the listed entities may or may not expect dividend:

As per the provisions of Companies Act, 2013, no dividend shall be declared or paid by a company for any financial year except out of the profits of the company for that year arrived at after providing for depreciation, or out of the profits of the company so arrived at for any previous financial year(s) and remaining undistributed, or out of both; Therefore, the Shareholders may expect a dividend whenever the Company makes a profit and has reasonable surplus for distribution among the shareholders, as mentioned above. Similarly, the Shareholders may not expect a dividend if there is no such surplus available for distributable among the shareholders in any year.

(b) The financial parameters that shall be considered while declaring dividend:

Net Profit earned during the financial year
Accumulated Reserves
Dividends declared in the past
Future profitability and Scope of sustaining
Dividend Payout ratio.

(c) Internal and external factors that shall be considered for declaration of dividend:

Internal:

Earnings outlook for next three to five years
Expected fund requirements for any capital expenditure or acquisition/starting of a business.

External:

Macro-economic environment, which may have an impact on the Company's business.
Regulatory & Taxation changes, which may affect the Company's business.
Technological changes, which necessitate significant new investments.

(d) Policy as to how the retained earnings shall be utilized:

The retained earnings shall be utilized towards value creation and maximization of benefit for the shareholders.

(e) Parameters that shall be adopted with regard to various classes of shares:

Not applicable since the Company has only one class of shares, viz. Equity shares.

(f) Limitation:

In the event of any conflict between the provisions of this Policy and any provisions of the Companies Act, 2013 or the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 or any other statutory enactments (“Regulations”), as they are or as they may be amended at a future date, the Statutory Regulations shall prevail over this policy.

(g) Review:

This policy may be reviewed and amended as and when deemed necessary by the Board of Directors.