



DIVIDEND DISTRIBUTION POLICY
(adopted by the Board of Directors on May 17, 2021)

1. Background

The Securities Exchange Board of India (SEBI) on May 05, 2021 has notified the SEBI (Listing Obligations and Disclosure Requirements)(Second Amendment) Regulations, 2021, amending Regulation 43A which requires the top one thousand (1000) listed entities based on market capitalization (calculated as on March 31 of every year financial year) to formulate a dividend distribution policy which shall be disclosed on its website and a web-link shall also be provided in the annual report of the entity.

2. Objective

This policy sets out the parameters and circumstances including external, internal factors and financial parameters that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend and also the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized.

3. Parameters to be considered for declaration of dividend.

The Board of Directors may declare interim dividend/ recommend final dividend for the consideration of the shareholders of the Company. The Board may distribute dividend upto 50% to 75% of the profits earned during the year depending on the requirement of the cash and needs of the business, subject to applicable laws and requisite approvals, if any. The percentage of dividend declared per share will be in accordance with the applicable provisions of the Companies Act, 2013 and based on the decision of the Board of Directors. Dividend amount paid will be after the deduction of tax at source (TDS), as applicable.

The Board will consider the following parameters while recommending/ declaring dividend

a. Financial / Internal Parameters:

- Liquidity and cash flow position of the Company including net operating profit after tax.
- Resources required for funding acquisitions, mergers and or new businesses, working capital, capital expenditure and also execution of Company's strategy including any share buyback plan.
- Cash required for meeting contingencies or unforeseen events.
- Funds required to service any outstanding loans.
- Any other factor not explicitly covered above but which is likely to have significant impact on the Company.

b. External factors / parameters:

- Any significant changes in the macro-economic environment in which the company operates or the business of the Company or its clients.



- Any political, tax and regulatory changes in the places where the Company operates.
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model.
- Any changes in the competitive environment requiring significant investment.

4. Circumstances under which the shareholders may or may not expect Dividend:

The shareholders of the Company may not receive dividend in the following circumstances:

- In the event of inadequacy of profits or whenever the Company has incurred losses.
- Any significant / impending/ ongoing capital expenditure program or any acquisition or investment in joint ventures requiring significant allocation of capital.
- Any significant cash flow requirements towards higher working capital requirements/ tax demands or other factors which adversely impacts the free cash flow.
- Any cash required for buyback of securities.

5. Utilization of retained earnings

The Company may declare dividend out of the profits of the Company for the year or out of profits of any previous year or years or out of free reserves available for distribution of dividend. The consolidated profits earned by the Company can either be retained in the business or used for the various purposes as mentioned in Clause 3(a) above or it can be distributed to the shareholders.

6. Provisions in regard to various classes of shares

The provisions contained in this policy shall apply to all classes of shares of the Company except on the determination and declaration of dividend of preference shares, as and when issued by the Company, as the same will be as per the terms of the issue approved by the shareholders. At present the Company has only one class of shares that have been issued, namely, Equity Shares.

7. General

- The Policy shall be disclosed on the website of the Company and a web-link shall also be provided in the annual report of the Company.
- The dividend proposal placed before the Board for consideration shall be in terms of this policy.
- The Company shall ensure compliance of the provisions of applicable laws and this policy in relation to dividend declared by the Company.
- This policy will be reviewed and amended as and when required by the Board.
- This policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by the Ministry of Corporate Affairs, SEBI or such other regulatory authorities. Any subsequent amendment/ modification in the Regulations, in this regard shall automatically apply to this Policy.