

# **Dividend Distribution Policy**

## **DIVIDEND DISTRIBUTION POLICY**

The Company proposes to adhere basic philosophy of rewarding the shareholders with the surplus fund of the company by means of dividend and/or issue of bonus shares out of the retained profit. To meet this requirement the Company voluntarily, undertake Dividend Distribution Policy in the line with the Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

### **1. Dividend Distribution**

The Board of Directors will take into account the Company's profitability and requirement of funds to meet up its short term and long term capital requirements and sustainable growth. The Company will also maintain reasonable and predictable return to the Shareholders of the Company on their investment in the Company.

### **2. Factors Considered**

The Board of Directors will consider the following internal and external factors in deciding quantum of dividend to be paid in each of the financial year -

- **Internal Factors:** Profit After Tax, Fund Flow position of the Company, Current and Future capital requirements e.g. Business Modernization / Expansion, Mergers and Acquisitions, Investment in Subsidiaries/ Associates/ Joint Ventures, Working Capital requirements and any other related factors.
- **External Factors:** Taxation including dividend distribution tax, Finance Cost, Government regulations, Industry Outlook, Domestic Demand Conditions, Consumer behavior, etc.

### **3. Utilization of Retained Earnings**

The Company will strive to pay dividend out of retained profits in case of any shortfall to meet the adequacy of the quantum dividend or in case of lower profit or no profit situation of the company in any of the financial years. Otherwise the Company will reward the shareholders by way of bonus shares as and when the Board of Directors deem desirable.

The Company will also utilize its retained earnings for growth of the company by venturing into new markets / geographies/ verticals, utilization of money for research and development activities to meet the change in taste of the consumers, Capital Expenditure, Mergers and

Acquisitions, Investment in Subsidiaries/ Associates/ Joint Ventures, Working Capital requirements and any other related factors.

#### **4. Circumstances for Non- Payment of Dividend**

The Shareholders may or may not expect a dividend in case of adverse market conditions and business uncertainty, inadequacy of profits earned during the fiscal year, inadequacy of cash balance, large forthcoming capital requirements which are funded through internal accruals, changing government regulations, etc.

Even under such circumstances, the Board may at its own discretion, and subject to applicable rules, choose to recommend a dividend out of the Company's free reserves.

#### **5. Multiple Classes of Shares**

Presently, the Company has only one class of shares i.e. Equity Shares. In the future, if the Company issues multiple classes of shares, the parameters of the dividend distribution policy will be addressed appropriately.

#### **6. Policy Review**

The Board of Directors may review this policy periodically, by taking into account the domestic and global economic conditions, Company's growth and investment plans and financial position, etc. and in accordance with any regulatory amendments.

#### **7. Website**

The policy shall be disclosed on the website of the Company.

***The aforesaid policy has been approved by the Board of Directors of the Company in its meeting held on 16<sup>th</sup> January, 2026.***