

**DIVIDEND DISTRIBUTION POLICY  
OF ELANTAS BECK INDIA LIMITED**

**1. REGULATORY FRAMEWORK**

1.1 This policy applies to the distribution of dividend by ELANTAS Beck India Limited (the “Company”) in accordance with the provisions of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).

1.2 The Board of Directors shall review the Policy periodically and may amend the same from time to time, as may be deemed necessary.

**2. OBJECTIVES OF THIS POLICY:**

This policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

**3. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:**

3.1 Cash flow is adversely affected due to working capital requirements;

3.2 Significantly high capital expenditure or fresh acquisition which are best funded through internal accruals;

3.3 Adverse market conditions and business uncertainty

3.4 Corporate actions such as Buy-back of securities reduction of capital, which will affect the cash flow of Company;

3.5 The Company’s profits are inadequate, or it has incurred losses.

**4. FINANCIAL PARAMETERS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND:**

- 4.1 Operating cash flows required to meet various business contingencies;
- 4.2 Working Capital requirements;
- 4.3 Capital Expenditure requirements;
- 4.4 Outstanding borrowings, if any;
- 4.5 Past dividend payout trend;
- 4.6 Funds required for any acquisitions that the Board of Directors may approve;
- 4.7 Liquidity and return ratios;
- 4.8 Any other significant development that requires cash investments.

**5. INTERNAL AND EXTERNAL FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND:**

**5.1. INTERNAL FACTORS**

- 5.1.1. Current year profits and future outlook in line with the development of internal and external environment;
- 5.1.2. Inorganic/organic growth opportunities like new acquisitions or new business;
- 5.1.3. Contractual restrictions;
- 5.1.4. Expectations of shareholders

**5.2.EXTERNAL FACTORS**

- 5.2.1. Prevailing legal requirements, regulatory conditions, geopolitical considerations, etc. and other statutory requirements, including tax laws;
- 5.2.2 Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- 5.2.3. Policy decisions of the Government that may affect the business of the Company;

5.2.4 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;

## **6. UTILIZATION OF RETAINED EARNINGS**

The profits earned by the Company can either be retained in the business and used for various purposes as outlined hereinabove or it can be distributed to the shareholders.

## **7. DISCLOSURE REQUIREMENT UNDER SEBI LODR**

The Company shall disclose this Policy on the Company's website at [www.elantas.com](http://www.elantas.com) and a web link thereto shall be provided in the Board's Report.

*(The above policy was reviewed and approved by the Board of Directors at its Meeting held on 5<sup>th</sup> May 2020)*

## **8. Limitation and Amendment**

In the event of any conflict between the provisions of this policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this policy.