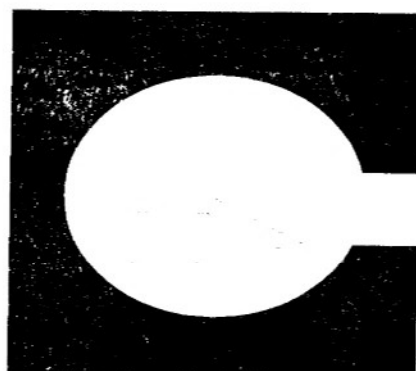


# ***Dividend Distribution Policy***

*[Adopted by the Board on 15<sup>th</sup> June, 2021]*



**GOEL**

**Shri Bajrang Power And Ispat Limited**

Regd. Off: Village Borjhara, Guma Road, Urla Growth Center

Raipur-493221 (Chhattisgarh)

CIN: U27106CT2002PLC015184

## Dividend Distribution Policy

### 1. Background and applicability

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) require the top 1000 listed companies (by market capitalisation) to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors (“**Board**”) of Shri Bajrang Power and Ispat Limited (“**Company**”) has adopted this Dividend Distribution Policy to comply with these requirements.

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

### 2. Dividend distribution philosophy

The Company is deeply committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer-term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

### 3. Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

### 4. Circumstances under which shareholders can expect Dividend

The Board will assess the Company’s financial requirements, including present and future growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 (“**Act**”). If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Listing Regulations, as applicable.

### 5. Interim and Final Dividend

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

### 6. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

- Distributable surplus available as per the Act and Regulations
- The Company’s liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion, modernization, additional investment in Joint ventures/Subsidiaries and acquisition opportunities
- Cost and availability of alternative sources of financing



Stipulations/ Covenants of loan agreements  
Macroeconomic and business conditions in general  
Any other relevant factors that the Board may deem fit to consider before declaring Dividend

**7. Utilisation of retained earnings**

Subject to applicable regulations, the Company's retained earnings shall be applied for:

Funding growth needs including working capital, capital expenditure, repayment of debt, etc.  
Buyback of shares subject to applicable limits  
Payment of Dividend in future years  
Issue of Bonus shares  
Any other permissible purpose

**8. Modification of the Policy**

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Act, the Listing Regulations, etc.

**9. Disclaimer**

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

