

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION:

¹This Dividend Distribution Policy (the "Policy") of Share India Securities Limited (the "Company"), framed in accordance with the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 read with the applicable rules framed there under, as may be in force for the time being ("Companies Act"), will regulate the process of dividend declaration and its pay-out by the Company.

The policy shall come into force for accounting periods beginning from 1st April, 2021.

2. OBJECTIVE:

The Company aims at rewarding its shareholders by sharing a part of its profits after retaining sufficient funds for the growth of the Company. This policy has been framed with an objective to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes.

The dividend pay-out of a Company is driven by several factors. The objective of our policy is to ensure a balance between those apparently conflicting and divergent factors and ensure that while the Company recommends a regular dividend income for the shareholders, it also ensures the long-term capital appreciation for all its stakeholders.

The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans.

Towards this end, this Policy lays down following guidelines, factors and parameters to be considered by the Board of Directors of the Company while recommending/ declaring Dividend from time to time:

FINANCIAL PARAMETERS AND INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

a) Financial parameters

- Current year financials and balance in P&L account
- Cash flow & Liquidity position
- Distributable surplus available under law
- Retained Earnings to meet funding requirements
- Short term funding requirements
- Capital commitments going forward
- Exceptional/windfall profits, if any, during the year

b) Internal Factors

- Profits earned during the year
- Present & future capital requirements of the existing businesses
- Brand/business acquisitions
- Expansion/modernization of existing businesses
- Additional investments in subsidiaries/associates of the Company
- Fresh investments into external businesses
- Contingency Fund requirement
- Accumulated cash surplus
- Cost of raising funds from alternate sources

c) External factors

- Outlook of the company in line with its business plan

- Market Risks
- Prevailing regulatory and legal requirements, including tax regulations
- Sector performance and Industry trend
- Macroeconomic and business conditions in general
- Business outlook of company

Any other relevant factors that the Board may deem fit to consider before declaring dividend.

3. CATEGORY OF DIVIDENDS

The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. Further, the Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

a. FINAL DIVIDEND

The Final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in an annual general meeting.

Board to recommend quantum of final dividend payable to shareholder in its meeting in line with this Policy, based on the profits arrived at as per the audited financial statements. Shareholders to approve in Annual General Meeting - once in a financial year;

b. INTERIM DIVIDEND

This dividend will be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy.

4. AMOUNT OF DIVIDEND

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavour to maintain a dividend pay-out (interim, if any, and final, put together) of about 12 % (Twelve per cent) of profits after tax (PAT) every financial year as per standalone financials or consolidated financials, whichever is lower.

However, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision.

5. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:

Circumstances under which the Shareholders of the Company:

a) May expect dividend

The Shareholders may expect dividend in all financial years where the Company has on a standalone as well as consolidated basis earned a net profit after tax ("Profit").

b) May not expect dividend

In circumstances where the financial position of the Company is such that the Company has inadequacy of profits or whenever the Company has incurred losses, it will be prudent for the Shareholders to not expect any dividend declaration. The dividend may also not be paid for any other reason/s as the Board may deem fit from time to time. In such event/s, the Board will provide the relevant rationale in the Company's Annual Report.

6. UTILIZATION OF RETAINED EARNINGS:

The Company shall endeavor to utilize the retained earnings in a manner which shall be beneficial to the interests of the Company and also its stakeholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as may be approved by the Board of Directors of the Company.

7. PARAMETERS FOR VARIOUS CLASSES OF SHARES:

This policy has been framed in respect of existing class of shares i.e. equity shares. In case the company proposes to issue any different class of shares e.g. Preference shares etc. then the parameters for distribution of dividend for that class of shares shall be in accordance with the term of that particular issue.

8. AMENDMENTS / MODIFICATIONS:

The Board may, from time to time, make amendments to this Policy to the extent required due to change/s in applicable laws and/or regulatory directives or as may be deemed fit upon periodical review.

Amendment:

- 1. Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Company adopted the revised Dividend Distribution Policy in its Board Meeting held on 25th May, 2021 to align its policy with Listing Regulations and the amendment is effective from 25th May, 2021.*

Note:- The policy was originally adopted in the Board Meeting held on February 06, 2021.