

Jai Corp Limited

Dividend Distribution Policy

Preamble:

Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**'the Listing Regulations'**) the Board of Directors of a listed company is required to formulate a dividend distribution policy. Dividend distribution policy is mandatory for the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) and voluntary for other listed companies.

Pursuant to the requirements stated above, the present Dividend distribution policy (**'the Policy'**) is framed.

The words and phrases used herein shall, unless the context otherwise admits, have the meaning assigned to them under the Companies Act, 2013 (**'the Act'**) and/or the Listing Regulations.

Title:

This policy shall be called "**Dividend Distribution Policy**".

The Policy:**1. Objective**

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company (**'the Board'**) before declaring or recommending dividend.

The Company has uninterrupted dividend payout since 2008. In future, the Company would endeavor to pay sustainable dividend keeping in view the Company's policy of meeting the growth objectives from internal cash accruals.

2. The circumstances under which the shareholders of the listed entities may or may not expect dividend

The Board while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board while determining the dividend to be declared or recommended shall take into consideration the advice of the key managerial personnel of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

...2/-

The Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

3. The financial parameters that shall be considered while declaring dividend

Profits earned during the financial year after providing for depreciation in accordance with law;
Retained Earnings;
Earnings outlook for the next three to five years;
Expected future capital *vis-à-vis* liquidity requirements
Any other relevant factors and material events that is likely to impact the business

4. Internal and external factors that shall be considered for declaration of dividend

The following internal parameters to be considered while declaring or recommending dividend to shareholders:

Profits earned during the year.
Future growth prospects
Present and future capital requirements of the existing businesses
Additional investments in subsidiaries/associates of the Company
Such other factors as the Board will deem necessary to consider.

The following external parameters to be considered while declaring or recommending dividend to shareholders:

Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates.

Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.

Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.

5. Policy as to how the retained earnings shall be utilized

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 retained earnings may be used to issue bonus shares, buy-back of shares

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 approved by the Board. The retained earnings may be used to

6. Parameters that shall be adopted with regard to various classes of shares

i. Dividend on Preference Shares

Preference Shareholders shall receive dividend at the fixed rate as per the terms of allotment and shall stand in priority to equity shareholders for payment of dividend.

ii. Dividend on Equity Shares

Equity Shareholders shall be entitled for the dividend, interim or final, as the case may be, if declared by the Board of Directors or the shareholders of the Company. Equity dividend shall stand second in priority after payment of dividend to the Preference Shareholders.

Applicability:

In the event of any conflict between this Policy and the provisions contained in the Act/ Listing Regulations/ any other statute, the Act/ Listing Regulations/ the other statute shall prevail.

This Policy, duly approved by the Board of Directors on, 13th August, 2021, shall be applicable with effect from the 13th day of August, 2021 and any future amendments / modifications shall take effect from the date stated therein.

The Policy is to be disclosed on the website of the Company and a web-link shall also be provided in the Annual Report.