



DALMIA BHARAT LIMITED
(Formerly known as ODISHA CEMENT LIMITED)
Regd. Office: Dalmiapuram – 621651, Dist: Tiruchirapalli, Tamil Nadu
[CIN: L14200TN2013PLC112346]

DIVIDEND DISTRIBUTION POLICY

Preface

Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) mandates the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution policy to be disclosed in their annual reports and on their website. This Dividend Distribution Policy is accordingly framed.

1. Dividend shall be declared and paid only out of current year’s post tax profits, after:
 - (a) setting off of losses of all earlier years;
 - (b) excluding gains of a capital nature, such as profits on sale of immovable property, capital profits on sale of investments and profits of an extraordinary nature credited to the profit and loss account;
 - (c) arrears of depreciation, if any, in accordance with the Company’s policy on depreciation.

2. In case of loss or inadequacy of profits, dividends can also be paid out of the carried forward profit of the earlier financial year(s) and/or realised Reserves as above and shall be restricted to such amount as may be permitted by the Companies Act, 2013 and statutory modification or re-enactment or substitution thereof.

However, declaring dividends out of Reserves should be exercised by the Board as the last resort.

3. The amount of dividend shall not be paid in lieu of a bonus or for inducing subscriptions to rights issue of shares or debentures leading to an expansion of the capital base.

4. As per listing requirements, Members who have been allotted shares during any financial year (but before the record date fixed by the Board for

declaration of dividend), shall be entitled to payment of dividend paid out after such record date, even though they were not Members during the financial year in respect of which the dividend is being declared and paid. For the new allottees, dividend shall be paid for the full year and not on paripassu basis from the date of allotment *except where the allotment is after the record date fixed for Interim/Final dividend.*

5. The amount of dividend to be recommended and declared by the Board, shall not normally exceed the dividend pay out ratio to be determined by the Board once every three years. This shall normally be a percentage of the Net Profits after tax (including Fringe Benefit tax). Such percentage shall be determined on the basis of the dividends declared by Companies having a similar turnover or Competitor Companies.
6. For the aforesaid purposes, the Board shall consider the following parameters:
 - (a) the fund requirements for future projects or proposals for modernisation, expansion in capacities, de-bottlenecking projects and major repair and renovation expenses;
 - (b) positive cash flows, after dividend pay out;
 - (c) likelihood of crystallisation of any contingent liability, if any;
 - (d) requirements of contingency funds;
 - (e) funds requirements for making strategic investments, acquisition of brands, etc.
 - (f) proposed sale of businesses.
7. Interim dividends may be declared by the Board based on review of profits earned during the year under consideration, till date. Such interim dividend shall not be declared more than 2 times a year.
8. The Board, at its discretion, may pay/recommend special dividend on specific occasions, such as Silver/Gold/Platinum Jubilee or Centenary Celebrations, etc.
9. Final dividend shall be recommended/ declared once a year after approval of the Annual Financial Statements by the Board of Directors.



Disclosure on the website

This Policy will be disclosed in the Annual Report and posted on the Company's website www.dalmiabharat.com.

Also, any additional parameters proposed for declaration of dividend and any changes in the same and/or this Policy along with the rationale therefor shall also be disclosed in the Annual Report and posted on the Company's website.

Conclusion

The Board shall review the Policy as and when deemed necessary in view of the revision/amendment in the Regulations notified from time to time or otherwise.

Note: This policy was adopted by the Board of Directors of the Company at its meeting held on October 15, 2018 and name of the Company have since been changed to Dalmia Bharat Limited effective from April 15, 2019.