



Dalmia Bharat Limited
Regd. Office: Dalmiapuram-621651, Dist. Tiruchirappalli, Tamil Nadu
CIN: L14200TN2013PLC112346

TAX POLICY

Dalmia Bharat Group (“**the Group**”) maintains and operates tax affairs within the applicable tax governance, reporting and control framework which includes the policies and guidelines that are framed in accordance with the Group’s principles to tax. Managing the business in a tax-efficient and compliant manner requires a tax policy.

The purpose of tax policy is appropriately combined with the fulfillment of the corporate interest, supporting a long-term business strategy, avoiding tax risks and inefficiencies in the implementation of business decisions and generation of sustainable value for the stakeholders.

Followings are the main principles and practices to which the Group is committed:

1. Compliance
2. Transfer pricing
3. Relationship with governments & tax authorities
4. Interest of key stakeholders
5. Mitigation of tax risks
6. Availing tax breaks backed by commercial substance
7. Accountability and governance

1. Compliance:

The Group aims to comply with the letter and spirit of the relevant law by making adequate disclosures as the central focus. Since the Group has presence in various States with different tax legislations and interpretations, it seeks to monitor, adjust and improve its tax compliance. The Group employs/engages appropriately qualified tax professionals with the necessary levels of tax expertise. The Group aims to pay an appropriate amount of tax to each of the jurisdictions where it operates.

2. Transfer pricing:

The OECD Guidelines and the laws of most countries establish the principle that transactions between group companies be priced on the basis of the “arm’s length” standard. Dalmia Bharat Group complies with all applicable transfer pricing rules and regulations, including the “arm’s length principle.

3. Relationship with governments & tax authorities:

The Group respects the supremacy of legislatures and the right of government to collect taxes. It seeks to have open and constructive relationships with tax authorities based on transparency, trust and mutual respect.

4. Interest of key stakeholders:

Diligent professional care and judgement is exercised to assess tax risks, as the group considers the interests of key stakeholders, such as shareholders, employees, vendors, dealers/distributors, consumers, authorities and the communities where it operates. The Group studies and interprets applicable provisions of the law and also considers available judicial precedence and tax guidance.

5. Mitigation of tax risks:

The Group's leadership plays an important role in tax governance and risk management. Necessary steps are taken periodically towards mitigation of tax risks. Tax risks are reported correctly as per the accepted accounting and reporting principles. The tax team provides appropriate mitigation measures for identified risks.

6. Availing tax breaks backed by commercial substance:

The tax function within the Group engages in value creation through managing responsibly and sustainably, our total tax costs of doing business in line with the Group's business operations and commercial strategies. The Group does not engage in tax minimization or optimization without form or commercial substance. Dalmia Bharat Group ensures not to undertake any contrived or artificial tax arrangement which are not underpinned by commercial or economic substance. Due consideration is given to core values of the Group such as integrity, commitment, and seamlessness.

7. Accountability and governance:

Dalmia Bharat Group continuously make efforts to enhance the knowledge and systems requirements to meet the evolving diversities and complexities in the business model and thereby comply with the Group objectives. In achieving the said objectives, Dalmia Bharat Group adheres to the principles of Corporate business governance over tax optimization.

This policy applies to Dalmia Bharat Limited and all its subsidiaries.

Date: May 28, 2024

Managing Director & CEO