

PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED

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CIN: L24131WB1948PLC095302

DIVIDEND DISTRIBUTION POLICY

SCOPE AND PURPOSE

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, top 1000 listed entities (based on market capitalization as calculated as on 31st March of every financial year) are required to frame Dividend Distribution Policy and disclose the same in their Annual Report and on their websites. Since the Company falls within the aforesaid class, it is required to formulate and disclose its Dividend Distribution Policy in its Annual Report and on its website. Accordingly, this Dividend Distribution Policy has been formulated and adopted by the Board of Directors of the Company at its meeting held on 11th August, 2021.

OBJECTIVE

The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

KEY PARAMETERS TO BE CONSIDERED WHILE DECLARING THE DIVIDEND

In line with the objective stated above, the Board of Directors of the Company shall consider the following parameters before declaration of any Dividend to shareholders:

❖ Financial Parameters / Internal Factors:

- Profit after taxes earned during the year;
- Profit available for distribution;
- Investment Prospects/Opportunities;
- Operating Cash Flow requirements of the Company;
- Earnings per Share;
- Liquidity position of the Company;
- Past Dividend Payout Ratio/trends.

❖ **External Factors:**

- General Economic environment and Market conditions;
- Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

As the company is engaged in Investment and Financing activities, the profits of the company may vary from year to year depending on the capital market conditions due to which its dividend payout can also vary from year to year. The Company having regard to the dividend and interest income earned by the Company and subject to profits & other financial parameters as per applicable legal provisions, the Board shall endeavour to maintain a reasonable dividend payout, to the extent possible, taking into consideration the past dividend payout history/trend.

UTILIZATION OF RETAINED EARNINGS

The retained earnings after declaration of the dividend if any, shall be utilized in the manner as considered appropriate by the Board and subject to the applicable prevailing laws.

PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class shares i.e. equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share.

REVIEW

The Policy would be subject to revision/amendment by the Board of Directors of the Company, as may be necessary in view of the prevailing laws for the time being.

The Policy would be available on the website of the Company as also in the Annual Report.
