

JINDAL WORLDWIDE LIMITED



DIVIDEND DISTRIBUTION POLICY

w.e.f 01st April, 2021

(Approved in Board Meeting dated 22nd June, 2021)

{In pursuant to SEBI (LODR) Regulations, 2015 and amendments thereof}



DIVIDEND DISTRIBUTION POLICY

1.) PREAMBLE:

The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) on 02nd September, 2015 to be effective from 01st December, 2015.

Pursuant to the amendment in Regulation 43A of the SEBI (LODR) Regulations, 2015 vide SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 05th May, 2021; the Top 1000 Companies (based on market capitalization as at 31st March of every Financial Year) shall have to formulate Dividend Distribution Policy which earlier was required to be formulated by top 500 listed companies only.

Based on the market capitalization as on 31st March, 2021, your Company stood at 797th and 758th Position amongst the Top 1000 Listed Companies of Sensex and Nifty, respectively and thus in compliance with aforementioned amendment, it has become necessary for the Company to formulate a policy thereof in this regard.

Accordingly, the Board of Directors in their meeting held on 22nd June, 2021 have formulated Dividend Distribution Policy to be effective w.e.f 01st April, 2021 and the same is available on the website of the Company at <https://www.jindaltextiles.com/investor.php>

2.) SCOPE AND OBJECTIVE:

The Policy is primarily aimed at enhancement of long-term shareholder value and sustainable growth, in a way that the shareholders can participate equitably in the company's growth, while maintaining a strong financial foundation for the company. Further, the Policy aims to ensure that the Company makes rationale decision with regard to the dividend amount to be distributed to the shareholders after retaining sufficient funds for the Company's growth, to meet its long-term objective and other purposes.

3.) PARAMETERS TO BE CONSIDER FOR DECLARATION OF DIVIDEND:

Regulation 43A of SEBI (LODR) Regulations, 2015, lays down various parameters which shall be considered by the Board of Directors of the Company before recommendation/declaration of dividend to its shareholders. The following are the parameters:

- a) the circumstances under which the shareholders of the listed entities may or may not expect dividend;
- b) the financial parameters that shall be considered while declaring dividend;
- c) internal and external factors that shall be considered for declaration of dividend;
- d) policy as to how the retained earnings shall be utilized; and
- e) parameters that shall be adopted with regard to various classes of shares

Provided that if the listed entity proposes to declare dividend on the basis of parameters in addition to clauses (a) to (e) or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its annual report and on its website.



FINANCIAL/ INTERNAL FACTORS:

The Board shall consider the below mentioned financial/internal parameters for the purpose of recommendation/declaration of dividend:

- (i) Performance of the Company and size of net profits earned by it during the financial year as compared with Previous year and budgets.
- (ii) Financial requirement for business expansion and/or diversification, acquisition, growth plans etc. of new businesses.
- (iii) Capital expenditure and working capital requirements.
- (iv) Cash flow position of the Company.
- (v) Accumulated reserves.
- (vi) Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

EXTERNAL FACTORS:

- (i) Industry outlook for the future years
- (ii) Economic environment
- (iii) Applicable taxes including tax on dividend
- (iv) Inflation rate
- (v) Changes in the Government policies, industry specific rulings & regulatory provisions
- (vi) Business disruptions due to act of god

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 and the Dividend shall be recommended after consideration of the parameters as stated above . 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 from time to time.

PARAMETERS FOR VARIOUS CLASSES OF SHARES:

The Company is currently having only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR 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 or due to unprecedented market conditions , 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 deems fit from time to time. In such event/s, the Board will provide the relevant rationale in the Company's Annual Report.



REVIEW AND DISCLOSURES:

The Board of Directors shall have the right to review, modify, amend or change any or all clauses of this Policy in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The Company shall ensure compliance with the requirements in this respect as laid down under the provisions of Section 123 of the Companies act, Regulation 43A of SEBI (LODR) Regulations, 2015 and other Applicable laws.

The policy will be available on the Company's website.

DISCLAIMER:

The above Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend distribution by way of dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the dividend to be distributed in the year and the Board reserves the right to depart from the policy as and when circumstances so warrant.

