



DIVIDEND DISTRIBUTION POLICY

PREAMBLE

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, the top 1000 listed entities (based on market capitalization as on the 31st March of every financial year) need to mandatorily formulate a dividend distribution policy. Accordingly, the Board of Directors ('Board') of Man Industries (India) Limited (**'Company'**) has adopted this **'Dividend Distribution Policy'** (**'Policy'**).

This Policy aims to lay down a framework regarding distribution of dividend and retention of profits by the Company and to provide clarity to the stakeholders on the dividend distribution strategy of 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.

REGULATORY FRAMEWORK

The Company shall pay dividend (including interim dividend) in compliance with the relevant provisions of the Companies Act, 2013 (the 'Companies Act'), the Companies (Declaration and Payment of Dividend) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI LODR'), as amended from time to time and such other act, rules or regulations which provide for the distribution of dividend.

OBJECTIVE AND SCOPE

The objective of the policy is to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc. The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes.

PARAMETERS FOR DECLARATION OF DIVIDEND

Dividend (including interim and/or final) would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting.

The Policy lays down below parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time. However, the Company reserves the right to carry out in any change in the aforesaid parameters, in the best interest of the Company, shareholders and/or other stakeholders.

A. Financial Parameters / Internal Factors :

- Consolidated net operating profit after tax;
- Working capital requirements;
- Capital expenditure requirements;
- Resources required to fund acquisitions and / or new businesses
- Cash flow required to meet contingencies;
- Outstanding borrowings;
- Past Dividend Trends including interim dividend paid;
- Tax implications, if any, of distribution of dividend;
- Any other factor which may have a financial impact on the company or as deemed fit by the Board.

B. External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
- Dividend pay-out ratios of companies in the same industry.

C. Circumstances under which the shareholders may or may not expect dividend

The shareholders of the Company may not expect Dividend under the following circumstances.

- Whenever the Company undertakes or proposes to undertake any significant expansion plans requiring higher allocation of capital;
- Where the Company requires significantly higher working capital adversely impacting free cash flow;
- Where the Company incurs losses or the profits are inadequate and the Board consider it appropriate not to declare dividend for any particular year;
- Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- Whenever it proposes to utilise surplus cash for buy-back of securities;
- Uncertain or recessionary economic and business conditions;
- Operation of any law in force;
- Any restrictions on payment of dividend imposed by any regulator or prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws; or
- Any other extraordinary circumstances.

In case the Board proposes not to distribute the profit, the grounds thereof and information on utilisation of the retained earnings, if any, shall be disclosed to the shareholders in the Board's Report forming part of Annual Report of the Company.

D. Utilization of Retained Earnings

The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These retained earnings will be used inter alia for the Company's strategic growth plans, working capital requirements, debt repayments and other contingencies.

E. Parameters to be adopted with regard to various classes of share

The Company has only one class of shares i.e. equity shares of the face value of Re. 5/- each, forming part of its Issued, Subscribed and Paid – up share capital.

As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

DIVIDEND INFORMATION

Information on the dividends paid in the last five years will be made available on the Company's Website viz. www.mangroup.com

DISCLOSURE AND AMENDMENT / REVIEW OF POLICY

The Company is committed to continuously reviewing and updating our policies and procedures. Therefore, this policy is subject to revision / amendment on a periodic basis, as may be necessary. Any amendment(s) of any provision of this policy shall be carried out by persons authorized by the Board in this regard. This policy (as amended from time to time) will be available on the company's website and in the annual report.

VARIATION

In the event of any variation or inconsistency between provisions of this policy and any statutory amendments, clarifications, circulars, notifications or guidelines issued by the relevant authorities, then such amendments, clarifications, circulars, notifications or guidelines shall prevail over this policy and the provisions of this policy shall be deemed to have been amended so as to be read in consonance with such amendments, clarifications, circulars, notifications or guidelines.

If the Board decides to deviate from this policy, the rationale for the same will be suitably disclosed in the annual report and on the company's website.

Effective Date: May 31, 2021

Date of the approval by the Board: May 31, 2021

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