

DIVIDEND DISTRIBUTION POLICY

1. BACKGROUND AND APPLICABILITY

The Securities Exchange Board of India (SEBI) on July 08, 2016, notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which, inter-alia, requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

After taking into consideration, the recommendations of the Audit Committee, the Board of Directors of TAKE Solutions Limited has adopted this Dividend Distribution Policy to comply with these requirements.

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

2. OBJECTIVE

The Company is committed for creation of value for all its stakeholders. The focus of management would be towards generating sustainable returns, through an appropriate capital strategy for both medium term and long term value creation.

The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, dividend which shall be consistent with the performance of the Company over the years.

This policy serves as the guidelines for the Company to decide how much of its distributable profits would be paid out to the shareholders and how much to be retained for achieving Company's strategic and business objectives.

The Policy shall not apply to:

- a) Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders
- b) Issue of Bonus Shares by the Company
- c) Buyback of Securities.

3. DEFINITIONS

- i. **"Board"** shall mean Board of Directors of the Company.
- ii. **"Companies Act"** shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.
- iii. **"Dividend"** included any interim dividend.
- iv. **"Listed Entity / Company"** shall mean TAKE Solutions Limited.
- v. **"Policy"** means Dividend Distribution Policy.

- vi. **“Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and Exchange Board of India, as amended, from time to time.
- vii. **“Stock Exchange”** shall mean a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (regulation) Act, 1956.

4. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND

- Distributable surplus available as per the Act and Regulations
- The Company’s liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

5. UTILIZATION OF THE RETAINED EARNINGS

The Company may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based, *inter-alia*, on the following factors:

- Long term strategic plans.
- Replacement of capital assets.
- Market expansion plan.
- Product expansion plan.
- Diversification of business.
- Cost of debt.
- Such other criteria’s as the Board may deem fit from time to time

6. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The Board shall consider the factors provided above under Para 4 and 5, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

7. MANNER OF DIVIDEND PAYOUT

In case of Final Dividend:

- i. Recommendation, if any, shall be done by the Board, usually in the Board Meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

- ii. The dividend as recommended by the Board to be approved/declared at the Annual General Meeting of the Company.
- iii. The payment of dividends shall be made within 30 days or any other date as may be prescribed under the applicable provisions of the Companies Act, amended from time to time, from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

In case of Interim Dividend:

The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial results. This would be in order to supplement the annual dividend or in exceptional circumstances.

- i. Interim dividend, if any, shall be declared by the Board.
- ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- iii. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.
- iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

8. AMENDMENT

The policy will be reviewed and amended as and when required by the members of the Board. Any changes made to this policy will be in line with the Regulations laid down by SEBI and approved by the Board in the specified manner.

9. DISCLAIMER

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

This document does not solicit investments in the Company's securities, nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.