

INDOGULF CROPSCIENCES LIMITED

CIN: U74899DL1993PLC051854

DIVIDEND DISTRIBUTION POLICY

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1. OBJECTIVE

The Dividend Distribution Policy is prepared by the Indogulf Crop Sciences Limited ("Company") in compliance with Regulation 43A of SEBI (Listing Obligation and Disclosures Requirements Regulations, 2015, which requires top 1000 listed entities based on the market capitalization to formulate a dividend distribution policy.

The regulation further states that such policy shall be disclosed on the website and the web link of the same shall also be provided in the Annual Report. The Board of Directors ("Board") of the Company have approved and adopted this policy in compliance to above provisions at their meeting held on September 28, 2024, being the effective date of the Dividend Distribution Policy ("Policy").

The intent of the Policy is to broadly specify the following parameters:

- A. The circumstances under which the shareholders of the company 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

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

2. POLICY

A. PARAMETERS/ FACTORS CONSIDERED BY THE COMPANY WHILE DECLARING DIVIDEND

The Board of the Company shall consider following parameters while recommending/declaring the dividend to the shareholders of the Company.

I. FINANCIAL / INTERNAL PARAMETERS

- a) Profits earned during the financial year;
- b) Retained Earnings;
- c) Earnings outlook for next three to five years;
- d) Free Cash Flows
- e) Expected future capital / liquidity requirements;
- f) Alternate usage of cash any acquisition/ investment opportunities or capital expenditures and resources to fund such opportunities/ expenditures, in order to generate significantly higher returns for shareholders;
- g) Debt repayment schedules;
- h) Any other relevant factors and material events and such other criteria as the Board may deem fit from time to time.

II. EXTERNAL FACTORS

- a) Macro Economic factors and the General Business Environment
- b) Statutory provisions and guidelines
- c) Regulatory changes
- d) Dividend payout ratio of competitors
- e) Technological changes
- f) Industry Growth Rate
- g) Natural Calamities

B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board will assess the parameters mentioned above, prior to making decisions regarding payment of the dividend, after taking into account potential opportunities and threats, as well as the feasibility of various dividend payout or retention strategies. The determination of dividend payouts will primarily hinge on above mentioned factors, ensuring a balanced consideration of both shareholder interests and the overall well-being of the Company.

C. UTILISATION OF RETAINED EARNINGS

The Board 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 on the following factors:

- Market expansion plan
- Product expansion plan
- Increase in production capacity
- Modernization of plants
- Diversification of business
- Funding inorganic and organic growth needs including working capital, repayment of debt etc
- Long term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Dividend payment
- Such other criteria have as the Board may deem fit from time to time.
- Any other permissible purpose

D. MANNER OF DIVIDEND PAYOUT

The dividend (whether Interim or Final) shall be paid out in compliance with the procedures laid down in Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and any other applicable law.

E. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Currently the Company has issued only one class of equity shares with equal voting rights, as a result of which all members are entitled to receive same amount of dividend per share if announced by the Company.

If the Company in future issues any other class of equity shares then such policy shall be amended by the Company.

3. WEBSITE

This Policy shall be disclosed on the website of the Company i.e. www.groupindogulf.com and the web link of the policy shall also be provided in the Annual Report of the Company.

4. REVIEW OF POLICY

This Policy would be subject to modification in accordance with the guidelines /clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Board may modify, add, delete or amend any of the provisions of this Policy.

Any exceptions to the Dividend Distribution Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board.