
DIVIDEND DISTRIBUTION POLICY

MANILAM INDUSTRIES INDIA LIMITED

1. PREAMBLE

- 1.1 The Company, **Manilam Industries India Limited** strongly believes into long-term relation with the shareholders for value creation. The Company recognizes the requirement to give a profit portion by way of appropriate rate of dividend.
- 1.2 This Policy is formulated with the intention to maintain the balance between the profit to be retained in the Company and the amount to be distributed among the shareholders through dividend. The Policy stipulates the criteria while determining the rationales for recommendation of the dividend as well as retaining the profit in the Company.
- 1.3 The Board has adopted the Policy at its meeting held on 15th July, 2025, which can be amended from time to time and shall come into effect from the date of listing of the Equity Shares of the Company.

2. STATUTORY REQUIREMENT

- 2.1 This Policy shall observe and comply with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended. The Policy is approved by the Board and reserves the right to amend from time to time as and when required.
- 2.2 This Policy will regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions contained in Companies Act, 2013 read with the applicable Rules, Regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as applicable from time to time. However, this document does not solicit investments in the Company's equity shares.

3. DEFINITIONS

Unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

- (i) **“Act”** shall mean the Companies Act, 2013 and rules made thereunder, as amended from time to time.
- (ii) **“Applicable Laws”** shall mean the Companies Act, 2013 and Rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
- (iii) **“Board”** shall mean the Board of Directors of the Company.
- (iv) **“Dividend”** includes any interim dividend.
- (v) **“SEBI LODR Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- (vi) **“Policy”** shall mean this dividend distribution policy.
- (vii) **“Stock Exchange”** shall mean a recognized Stock Exchange on which the securities of the Company are listed

4. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND:

The dividend pay-out decision of the Board depends upon certain financial parameters and internal and external factors, including:

Financial parameters and Internal Factors:

- i. Financial performance of the Company for the year for which dividend is recommended;
- ii. Operating cash flow of the Company;
- iii. Working capital requirements;
- iv. Capital expenditure requirements;
- v. Past dividend payout ratio / trends;
- vi. Such other factors and/or material events which the Company's Board may consider.

External Factors:

- i. Statutory provisions and guidelines;
- ii. Cost of financing;
- iii. Any other factor that has a significant influence / impact on the Company's working / financial position of the Company.

5. CIRCUMSTANCES UNDER WHICH DIVIDEND MAY OR MAY NOT BE PAID:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- i. Proposed expansion plans requiring higher capital allocation;
- ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, etc. which requires significant capital outflow;
- iii. Requirement of higher working capital for the purpose of business of the Company;
- iv. Proposal for buy-back of securities;
- v. In the event of loss or inadequacy of profit; and
- vi. Such other matters as may be determined by the Board from time to time.

6. UTILIZATION OF RETAINED EARNINGS:

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of dividend, after having due regard to the Parameters laid down in this Policy. 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 Laws. The Company would utilize the retained earnings in a manner which is beneficial to the interest of the Company and its stakeholders, including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth / expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

7. MANNER OF DIVIDEND PAYOUT:

7.1 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 shall be approved/declared at the Annual General Meeting of the Company.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

7.2 The In case of interim dividend:

- 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 the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.

8. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES:

The Company has issued only one class of equity shares with equal voting rights. Accordingly, all members are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably modified upon the issue of equity shares of a different class.

9. DISCLOSURE

This Policy shall be disclosed in the Company's annual reports and on the Company's website, www.manilam.com. Further, in case the Company decides to declare dividend on the basis of parameters in addition to those mentioned in this Policy, or proposed to change the parameters, or change the Policy, all such changes along with rationale for the same shall be disclosed in the annual reports and on the Company's website, www.manilam.com.

10. REVIEW AND AMENDMENT

The Board shall have the power to review and amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy as and when they feel required.

All provisions of this Policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**By and on Behalf of Board of Directors
For Manilam Industries India Limited**

**Sd/-
Manoj Kumar Agrawal
(Managing Director)
DIN: 00067194**