

POLICY FOR DIVIDEND
DISTRIBUTION

Introduction:

This Dividend Distribution Policy (“**Policy**”) applies to the distribution of dividend by **Aluwind Architectural Limited** (“**Company**”) and has been formulated in accordance with the provisions of the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”). The Company's overarching objective is to strike the right balance between adequately rewarding shareholders through dividend and providing enough funds to drive future growth, both organic and inorganic to maximize long term sustainable shareholder value.

Definitions:

The terms referred to in the Policy will have the same meaning as defined under the Act and the rules made thereunder, and the Listing Regulations.

- Dividend: As per Section 2(35) of the Companies Act, 2013 the term dividend includes any interim dividend.
- Dividend means a distribution of any sums to Members out of profits and wherever permitted out of free reserves available for the purpose.
- “Final Dividend” means the Dividend recommended by the Board of Directors and declared by the Members at an Annual General Meeting.
- “Interim Dividend” means the Dividend declared by the Board of Directors.
- “Free Reserves” means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as Dividend. However, the following amount shall not be treated as free reserves:
 - any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as reserve or otherwise, or
 - any change in carrying amount of an asset or of a liability recognised in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value.

Scope:

This Policy sets out the circumstances, parameters and factors that will be taken into account by the Board of Directors (“Board”) of the Company for determination of distribution of dividend to its shareholders.

a. The financial parameters and internal factors that shall be considered while declaring dividend:

- Adequacy of distributable profits after appropriating to all the Reserves and making all the adjustments but before providing for dividends and tax thereon.
- Special adjustments (upsides / downsides) which have affected the profits for the year in consideration.
- Total payout of dividend and dividend tax on the same in INR.
- Cash availability for paying the proposed dividend.
- Capital Allocation plans including:
 - Expected cash requirements of the Company towards working plans, capital expenditure in technology and infrastructure etc;
 - Business Expansion;
 - Investments required towards execution of the Company's strategy;
 - Funds required for any acquisitions that the Board may approve;
 - Any share buyback plans;

- Any other significant developments that require cash investments.
- Payout ratio on Profit After Tax (PAT) and Distributable profits.
- Earnings per share on distributable profits.
- Cash availability for paying the proposed dividend.
- Mode of funding of the dividends proposed to be declared and cost of borrowings / internal accruals.

b. External Factors that shall be considered for declaration of dividend:

- Any significant changes in the macro-economic environment affecting India or the geographies in which the Company operates, or the business of the companies or it's clients;
- Any political, tax and regulatory changes in the geographies in which the company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Dividend pay-out ratios of the Companies in same Industry;
- Any changes in the competitive environment requiring significant investment;
- Change in rules, regulations and compliances.

c. Circumstances under which the shareholders of the listed entities may or may not expect dividend:

For the purposes of dividend distribution, the Company's shareholders may expect the following broad criteria to be followed by the Company: -

- Dividends may be expected from the Company only after all required appropriations have been made and the resultant profit after the appropriations is positive and sufficient distribution of dividends as per the parameters - financial or otherwise mentioned below in point no (a).
- A lower dividend may be proposed in the years that the Company has not made sufficient profits.
- Any dividend arising from negative profits would not be expected to be made up through plough back from the Company's accumulated Reserves. However, in exceptional cases, considering the reasons for which the profits the negative for the year, the Board may recommend dividends out of accumulated profits.

d. Utilisation of Retained Earnings:

The consolidated profits earned by the Company can either be retained in the business and used for such purposes as the Board may determine from time to time including those outlined in clause (b) above or it can be distributed to the shareholders.

Dividend shall not be declared out of the Securities Premium Account or the Capital Redemption Reserve or Revaluation Reserve or Amalgamation Reserve or out of profits on reissue of forfeited shares or out of profits earned prior to incorporation of the company.

e. Provisions with regard to multiple classes of shares:

Currently, the Company has only one class of equity shares. In the future, if the Company issues multiple classes of shares, the parameters of the dividend distribution policy will be appropriately addressed.

Policy Review:

The Board of Directors may review this policy periodically, by considering the national and global economic conditions, Company's growth and investment plans and financial position, etc. and in accordance with any regulatory amendments.

Disclosure of policy:

The policy shall be disclosed on the website of the Company as per the SEBI Regulations.

Revision/Amendments to the policy:

- This policy may be subject to revision/amendment as per Ministry Corporate Affairs (MCA) / Securities Exchange Board of India (SEBI) guidelines issued from time to time.
- The Company may modify the policy by adding, deleting, or altering some provisions as deemed fit.
- If revision/amendments are not consistent with the existing practice followed, then such revision/amendments will supersede and the provisions will be modified accordingly.
- In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy.

Disclaimer

- a) The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding 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.
- b) Given the uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward- looking statements in the Policy.