

# **Dividend Distribution Policy pursuant to Regulation 43 A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

---

## **1. Preamble**

The Securities and Exchange Board of India (“SEBI”) vide its Notification No. SEBI/LADNRO/GN/2016-17/008 dated 08.07.2016, has amended the Listing Regulations by inserting Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) mandating the formulation of a dividend distribution policy for the top 1,000 listed entities based on their market capitalization calculated as on 31<sup>st</sup> March of every financial year.

## **2. Objective**

Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (BoD) of Unitech Limited recognizes the need to lay down a broad framework pertaining to distribution of dividend to its shareholders.

## **3. Effective date**

This dividend distribution policy is effective from the date of its adoption by the BoD i.e. 28<sup>th</sup> February, 2023.

## **4. Definitions**

- (a) ‘Act’ means the Companies Act, 2013 and rules made thereunder, including any amendments or modifications thereof.
- (b) ‘Board of Directors’ or ‘BoD’ means the collective body of the Directors of the Company.
- (c) ‘Company’ means Unitech Limited.
- (d) ‘Dividend’ shall mean Dividend as defined under the Companies Act, 2013.
- (e) ‘Policy’ means Dividend Distribution Policy.
- (f) ‘Regulation’ means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and as notified by the SEBI.

## **5. Guidelines for distribution of dividend**

- 5.1 The Company will pay dividend (including interim dividend) in compliance of the provisions of section 123 of the Companies Act and Companies (Declaration and Payment of Dividend) Rules, 2014, listing regulations and

all other applicable laws governing dividends and the Articles of Association (AoA) of the Company, as in force and as amended from time to time.

- 5.2 The Company shall ensure that the distribution of dividend protects the rights of minority shareholders.
- 5.3 In case of sufficient reasonable profits, the BoD may consider to declare dividend, as it may deem appropriate, in the dividend payout ratio as mentioned herein. However, in case of inadequacy of profits in any year, the BoD may decide to conserve profits of the Company and may declare a lower dividend or the BoD in its discretion may not recommend dividend if it is of the opinion that it is financially not viable or prudent to do so for reasons to be recorded.
- 5.4. The Company may pay dividend to its shareholders after taking into consideration various factors as under:
  - (i) Depending upon the performance of the Company in terms of the consolidated net profits earned by it during any financial year and the liquidity position of the Company;
  - (ii) After taking into consideration the near term investment plans of the Company including maintenance capex and working capital need, diversification, expansion, acquisitions, among others;
  - (iii) After taking into account the historical dividends payout as well as also those declared by its peers and other leading Companies of similar size. While the Company endeavors to conserve resources for its future growth plans, the dividend payout will be within the range of 5% - 10% of the consolidated net profit, if any, of the Company in any financial year and the said payout shall include tax on dividend. However, the BoD reserves the right to declare a higher or a lower dividend based on the performance of that particular year and after taking other relevant factors into consideration.

## **6. Utilization of retained earnings**

The Company may utilize the retained earnings by:

- (i) Investing into new markets or projects;
- (ii) Payment of capital expenditure, including, technology infrastructure or physical infrastructure;
- (iii) Entering into restructuring activities like merger and acquisitions as it may deem necessary from time to time; and
- (iv) By spending on any other business requirement or in the overall; interest of the Company.

## **7. Amendments**

The Policy will be subject to revision/ amendment in accordance with the guidelines as may be issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India or any other competent statutory/ regulatory authority, from time to time. The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary and appropriate.

## **8. Disclosure**

The Policy shall be uploaded under a separate section on the website of the Company at [www.unitechgroup.com](http://www.unitechgroup.com).

0-0-0-0-0