DIVIDEND DISTRIBUTION POLICY

APPLICABLITY

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 requires the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entire and a weblink shall also be provided in their annual reports. The other listed companies may disclose their dividend distribution policies on a voluntary basis on their websites and provide a weblink in their annual reports.

OBJECTIVE

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.

In future, the Company would endeavour to pay sustainable dividend keeping in view the Company's policy of meet the long-term growth objectives from internal cash accruals.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013.

The Board of Directors, while determining the dividend to be declared or recommended, shall take into consideration the advice of the executive management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial/internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events.

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- Macro-economic environment – Significant changes in Macroeconomic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates

- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged

- Technological changes – which necessitate significant new investments in any of the businesses in which the Company is engaged.

UTILISATION OF RETAINED EARNINGS

The Company shall endeavour to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the Companies Act, 2013 shall prevail.

AMENDMENTS

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws or as deemed fit on a review.

DISSEMINATION

The policy shall be hosted on the website of the Company
i.e. https://www.advancetechforge.com/

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Effective Date: November 11, 2024
Date of Approval by Board of Directors: November 11, 2024