

DIVIDEND DISTRIBUTION POLICY OF ION EXCHANGE (INDIA) LIMITED

OBJECTIVE

The objective of this policy is to establish the principles and criteria to be considered by the Board of Directors prior to declaring or recommending dividend to the equity shareholders of Ion Exchange (India) Limited (IEL).

The policy is framed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall *inter alia* consider the following financial parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year;
- Retained Earnings / Accumulated reserves;
- Earnings outlook for next three to five years;
- Expected future capital / liquidity requirements;
- Any other relevant factors and material events;
- Investment requirements for the Corporation in its subsidiaries and associate companies.

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

- Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates;
- Shareholder expectations, including individual shareholders;
- Macro-economic conditions;
- Taxation provisions;
- Government policies.

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 and Listing Regulations. 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.

UTILISATION OF RETAINED EARNINGS

The Company may utilize 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.

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.

PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

At present, the Authorised, issued and paid-up share capital of the Company is comprised of equity shares only.

CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the Listing regulations, the Listing regulations shall prevail.

WEBSITE

The Policy shall be disclosed on the website of the company at www.ionexchangeindia.com

AMENDMENTS

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

<i>Policy approved by: The Board of Directors of Ion Exchange (India) Limited</i> <i>Original date of approval: June 8, 2021</i> <i>Last Modified on: Nil</i>
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