



## Centrum Capital Limited

### Dividend Distribution Policy

Centrum Capital Limited ('the Company') shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Securities and Exchange Board of India ('SEBI') vide its notification dated May 05, 2021 has amended Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has made it mandatory for the top 1000 listed entities, based on market capitalization, as on March 31 of every financial year to formulate a Dividend Distribution Policy ('Policy'). The Board of Directors of the Company has adopted the Policy which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders.

#### Objective

The Policy defines the conditions for paying a dividend. The Board of Directors will recommend any annual dividend based on this Policy as well as any specific financial or market conditions prevailing at the time. The intention of the Policy is to set out the broad criteria to be considered when determining what dividend to declare or not declare to the shareholders of the Company.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

#### 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 macro-economic 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 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.

#### **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

#### **DISCLOSURE**

The Board of Directors will review the policy annually. Any revisions in the Policy will be Communicated to shareholders in a timely manner. The Policy shall be disclosed in the Annual report and on the website of the Company i.e. [www.centrum.co.in](http://www.centrum.co.in)

#### **DISCLAIMER**

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.

Adopted by Board on 22.06.2021