



**SANGHVI MOVERS LIMITED**

**DIVIDEND DISTRIBUTION POLICY**

**DATE OF APPROVAL:**

**27 MAY 2021**



## DIVIDEND DISTRIBUTION POLICY

### **Scope and Purpose:**

Sanghvi Movers Limited ('the Company') shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Board of Directors of the Company at its Meeting held on 27 May 2021 has adopted the Policy which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders.

### **Objectives:**

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. The Policy defines the conditions for paying a dividend. The Board of Directors will recommend any dividend based on this Policy as well as financial performance 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.

### **Applicable provisions:**

The Board of Directors of the Company, while declaring or recommending any dividend shall ensure compliance with:

- a. Provisions of Companies Act 2013 and its Rules there under;
- b. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Frequency:**

Interim Dividend or Final Dividend

### **Financial Parameters:**

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

- a. Profits earned during the financial year;
- b. Retained Earnings;
- c. Cash flow and treasury position taking into consideration the total debt to equity ratio;
- d. Earnings Per Share;
- e. Dividend Payout during the previous years;
- f. Capital Expenditure;
- g. Contingent Liabilities;
- h. Earnings visibility;
- i. Expected future capital / liquidity requirements;



- j. Setting aside funds to meet debt repayments;
- k. Any other relevant factors and material events.

**External parameters:**

**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.

**Circumstances under which the shareholder may not receive dividend:**

The shareholder may not receive dividend, inter-alia, in the following circumstances, subject to discretion of the Board:

- a. Loss or inadequate profits or Cash flow restrictions;
- b. Capital expenditure on account of expansion of business;
- c. Decision to undertake any acquisition, takeover, etc. requiring significant capital outflow;
- d. Other business condition(s) due to which, in the opinion of the Board, it would be prudent to plough back the profits of the Company;
- e. De-growth in the overall business;
- f. Any other extra-ordinary circumstances.

**Disclosure:**

According to the requirements of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and notifications issued by SEBI from time to time, the Dividend Distribution Policy shall be disclosed on the website of the Company i.e. [www.sanghvicranes.com](http://www.sanghvicranes.com).

**Amendment:**

This Policy shall be reviewed from time to time and the Board of Directors shall have the power to modify, amend or replace this Policy in part or full, as may be thought fit from time to time in their absolute discretion.

**Approval:**

This Policy was approved by the Board of Directors of the Company at its meeting held on 27 May 2021.



**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.