

## DIVIDEND DISTRIBUTION POLICY

### 1. Introduction

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), as amended, the Company is required to formulate and disclose a Dividend Distribution Policy. In the compliance with the said requirements, the Board of Directors of D B Realty Limited (“the Company”) have approved the policy as stated below. The Board may review and amend this policy from time to time.

The Object of this policy is to lay down the board parameters and factors that will be taken into consideration by the Board of Directors of the company for declaration of dividend.

### 2. Guidelines

The policy is intended to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend, etc. The policy has been framed broadly in line with the provisions of the Companies Act, 2013 (“the Act”), LODR and other Regulations and guidelines, to the extent applicable.

- The Company while determining dividend to be declared shall take into consideration the advice of the executive management and the planned further investments for growth and shall ensure compliance with the applicable laws including provisions of the Act and LODR.
- The Company generates revenue streams from:
  - i. sale of inventory in the company’s projects;
  - ii. other income (mainly from treasury operations for managing short term surpluses).
- The Company shall strive to utilize retained earnings at optimum level by investing in the business of the Company/its subsidiaries for expansion and acquisition towards the growth of the company.
- If during any financial year, the Board determines that the profits of company are inadequate, the Board may decide not to declare dividends for that particular year.
- The Dividend is declared after considering the impact of several factors (financial or otherwise in nature, and influenced by internal and external economic /business environment) such as:
  - i. Standalone & Consolidated profitability of the Company,
  - ii. cash to be retained for future investments,
  - iii. overall financial position of the Company,



**D B REALTY LIMITED**

Regd. Office : DB Central, Maulana Azad Road, Rangwala Compound, Jacob Circle, Mumbai- 400 011 Tel.: 91-22-2305 5555

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CIN: L70200MH2007PLC166818

- iv. present and future profitability and growth outlook,
- v. present and future cash flows from operations,
- vi. present and future cash requirements for operations as well as for investment,
- vii. present and future economic and/ or political environment,
- viii. any other factor(s) that the shareholders and the board of directors may deem relevant.

➤ **The Circumstances under which the Shareholders of the Company may or may not expect Dividend**

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among the shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding the shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The Shareholders of the company may not expect dividend in the following circumstances, subject to discretion of Board of Directors.

- i. Proposed Expansion plans requiring higher capital allocation
- ii. Decision to undertake any acquisition, amalgamation, merger, joint ventures, etc which require significant capital outflow
- iii. Requirement of higher working capital for the purpose of business of the company
- iv. Proposal for buy back of securities
- v. In the event of loss or inadequacy of profit

**3. Disclosures**

This Policy will be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report of the Company.

**4. Modification of this policy**

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, the Regulations, etc

**5. Disclaimer**

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.



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