

# **DIVIDEND DISTRIBUTION POLICY**

## **OF**

### **GTPPL HATHWAY LIMITED**

Pursuant to Section 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures) Requirements, 2015, the top five hundred 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 in their annual reports and on their websites. It also stipulates that the listed entities other than top five hundred listed entities based on market capitalization may disclose their dividend distribution policies on a voluntary basis in their annual reports and on their websites.

The Board of Directors (the "Board") of GTPPL Hathway Limited (the "Company") at its meeting held on September 25, 2017, has adopted this Dividend Distribution Policy (the "Policy") on a voluntary basis in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies Act, 2013 ("Act").

#### **OBJECTIVES**

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company, subject to the provisions the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Regulations") and the Companies Act, 2013 (the "Act").

#### **DEFINITIONS**

The terms referred to in the Policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

#### **CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND**

The Board of directors of the Company shall comply with the provisions of the Act and the SEBI Regulations while declaring or recommending dividend on equity shares of the Company. The Board shall, while declaring or recommending dividend, shall take into consideration a number of factors including but not limited to the advice of the executive management of the Company

and future expansion plans and capital requirements 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 such other factors which may be considered by the Board which is stipulated in this Policy.

#### **INTERNAL /FINNACIAL PARAMETERS WHILE DECLARING OR RECOMMENDING DIVIDEND TO SHAREHOLDERS**

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

- a) Profits earned during the fiscal and overall financial position
- b) Future expansion plans and capital requirements
- c) Liquidity and return ratios based on the outlook for next three to five years
- d) Any other relevant factors and material events that require cash investment.

#### **EXTERNAL FACTORS THAT SHALL BE CONSIDERED FOR DECLARATION OF DIVIDEND OR RECOMMENDING DIVIDEND TO SHAREHOLDERS**

The Board of directors of the Company shall consider the external factors that shall be considered for declaration of dividend or recommendation of dividend to shareholders. The dividend, if any, will depend on a number of external factors including the following:

- a) Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates or its vendors as the case may be;
- b) Any political, tax and regulatory changes in the geographies in which the Company operates or its vendors as the case may be;
- c) Any significant change in the technological environment resulting the Company has to make significant investments; and
- d) Any changes in the competitive environment at local, Regional or national level requiring significant investment.

#### **UTILISATION OF RETAINED EARNINGS**

It will be endeavor of the Company to utilise the retained earnings in a manner which shall be beneficial to the best interests of the Company and also its shareholders.

The Company may utilize the retained earnings for business expansion and strategic investment, investment in the state of the art technology among others which is required for future growth

and generation of higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company from time to time.

#### **APPLICABILITY OF 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.

#### **REVIEW**

This Policy will be reviewed and amended as and when required by the Board.

#### **LIMITATION AND AMENDMENT**

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this Policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this Policy.