



INFIBEAM AVENUES LIMITED
[CIN: L64203GJ2010PLC061366]

DIVIDEND DISTRIBUTION POLICY

[Amended w.e.f May 27, 2021]

1. INTRODUCTION:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Top 1000 Listed Companies in India in terms of market capitalization are mandatorily required to formulate a policy for Dividend Distribution and disclose the same on the website of the listed entity and a web-link shall also be provided in their annual reports.

The Dividend Distribution Policy is intended to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth.

2. DEFINITIONS:

2.1 **“Board”** shall mean Board of Directors of the Company.

2.2 **“Companies Act”** shall mean the Companies Act, 2013 and rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

2.3 **“Dividend”** included any interim dividend.

2.4 **“Listed Entity / Company”** shall mean Infibeam Avenues Limited (Formerly known as Infibeam Incorporation Limited).

2.5 **“Policy”** means Dividend Distribution Policy.

2.6 **“Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and Exchange Board of India, as amended, from time to time.

3. POLICY:

A. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors –

Financial parameters and Internal Factors:

- i. Operating cash flow of the Company
- ii. Profit earned during the year
- iii. Profit available for distribution
- iv. Earnings Per Share (EPS)
- v. Working capital requirements
- vi. Capital expenditure requirement
- vii. Business expansion and growth
- viii. Likelihood of crystallization of contingent liabilities, if any
- ix. Additional investment in subsidiaries and associates of the company
- x. Up gradation of technology and physical infrastructure

- xi. Creation of contingency fund
- xii. Acquisition of brands and business
- xiii. Cost of Borrowing
- xiv. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

External Factors:

- i. Economic environment
- ii. Capital markets
- iii. Global conditions
- iv. Statutory provisions and guidelines
- v. Dividend payout ratio of competitors

B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect Dividend under the following circumstances:

- i. Proposed expansion plans requiring higher capital allocation;
- ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires 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;
- vi. Any of the above referred internal or external factors restraining the Company from considering dividend.

C. UTILIZATION OF THE RETAINED EARNING

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan
- Modernization plan
- Diversification of business
- Long term strategic plans
- to take advantage of any business opportunities
- Replacement of capital assets
- Where the cost of debt is expensive
- Meeting funding requirements of the Subsidiaries in accordance with their long term Business Plans
- Such other criteria's as the Board may deem fit from time to time.

4. POLICY FOR DIFFERENT CLASSES OF SHARES:

The holders of the Equity Shares of the Company, as on Record Date, are entitled to receive dividends. Since the Company has issued only one class of Equity shares with equal voting rights, all the Members of the Company are entitled to receive the same amount of dividend per share. In the event the Company issues in future, any shares with preferential rights over equity shares, the same shall be adhered to in accordance with the terms of such issue.

5. DISCLOSURE:

This policy will be displayed on the website of the Company i.e. www.ia.ooo and a web-link shall also be provided in the Annual Report of the Company as required by the Regulations in force from time to time.

6. AMENDMENTS TO THE POLICY:

The Board at its discretion may vary this policy, from time to time, including the aforesaid parameters and such changes will be updated on the website of the Company and further disclosed in the Annual Reports of the Company.
