

VOLTAMP TRANSFORMERS LTD

DIVIDEND DISTRIBUTION POLICY

This policy applies to the distribution of dividend by Voltamp Transformers Limited (the “Company”) in accordance with the provisions of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulations).

The Board of Directors of Voltamp Transformers Limited at its meeting held on 25th June, 2021 had adopted this dividend distribution policy as required by Regulations 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

Definitions :

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

Background:

SEBI has, through its notification dated 05th May, 2021, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 incorporating Regulation 43 A – Dividend Distribution Policy requiring the top thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy which shall be disclosed in their Annual reports and on their Websites.

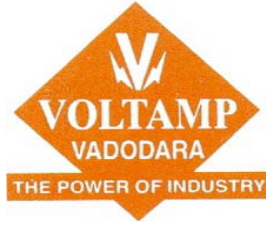
This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this Policy.

a. The circumstances under which the shareholders may or may not expect dividend:

The Company shall comply with the relevant statutory requirements that are applicable to the Company including the provision of the Companies Act, 2013 and Listing Regulations in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, further investments planned for growth and development and other parameters described in this policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular periods if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.



b. The financial /internal parameters that shall be considered while declaring dividend;

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

- Profits earned after tax during the financial year
- Retained earnings
- Earnings outlook for next five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events.

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

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

d. Policy as how to retained earnings shall be utilized.

The profits earned by the Company can either be retained in the business and utilised in a manner which shall be beneficial to the interests of the Company and also is shareholders.

e. Provision in regard to various classes of shares

The provisions contained in this Policy shall apply to all classes of shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity shares.

f. Review:

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

g. 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.

h. Disclosure of the Policy:

This Policy will be uploaded on website of the Company.