

MEENAKSHI STEEL INDUSTRIES LIMITED

Dividend Distribution Policy

Introduction:

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Policy of the Company at its meeting held on 15th December, 2016

The Objective of this Policy is to provide the dividend distribution framework to the stakeholders to the Company

The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions

Criteria and Approval:

1. **Statutory and Regulatory requirements:**

The Company shall declare dividend only after ensuring compliance under the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment there to, and guidelines provided in the Articles of Association (AOA) of the Company.

2. **Factors to be considered for Dividend:**

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation of dividends:

- a) Stability of earnings
- b) Cash flow from operations
- c) Future capital requirement for expansion of business
- d) Industry outlook and stage of business cycle for Non-Banking business
- e) Leverage profile and capital adequacy metrics
- f) Overall economic / regulatory environment
- g) Contingent Liabilities
- h) Past Dividend trends
- i) Buy back of shares or any such alternate profit distribution measure
- j) Any other contingency plans

Circumstance under which shareholders may or may not expect dividend:

The Board of Director may vary the level of dividend or not recommend any dividend based on regulatory eligibility or restriction placed on the Company before recommending lower dividend or not recommend any dividend based on contingencies or unforeseen future events.

Utilization of Retained Earnings:

The retained earning of the Company shall be utilized for existing business, meeting the future growth plans, distribution to shareholders or such other things as the may consider in best interest of the Company and its shareholders

Dividend and Class of Shares:

Presently, the issued and paid-up share capital of the Company comprises of equity shares only. In case, the company issues other kind of shares, the Board may suitably amend this Policy.

Review:

This Policy is subject to review by the Board of Directors at lease once a year.

Limitation and Amendments:

In the event of any conflict between the provisions of this policy and of the Companies Act, 2013 ('Act') or SEBI Listing Regulations or any other statutory enactments, rules, the provision of such Act, SEBI Listing Regulations or statutory enactments, or rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and / or applicable laws in this regards shall automatically apply to this Policy.

Disclosure:

This Policy shall be disclosed on the Company's website