



## **Dividend Distribution Policy**

Version: 1.0

## DIVIDEND DISTRIBUTION POLICY

The Securities Exchange Board of India vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalization calculated on March 31 of every financial year.

This policy is effective from the financial year 2016-17.

### 1. Objectives

In compliance with Regulation 43A of the Listing Regulations, the Company is required to formulate a Dividend Distribution Policy which would aid investors in identifying stocks that match with their investment objectives.

The objective of the Dividend Distribution Policy of the Company is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company. Through this policy, the Company would endeavor to sustain a steady and consistent distribution of profits, by way of Dividend, to its shareholders.

### 2. Definitions

'Act' shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

'Board of Directors or Board' means the Board of Directors of OnMobile Global Limited, as constituted from time to time.

'Company' means OnMobile Global Limited.

'Dividend' includes any interim dividend.

'Policy' means Dividend Distribution Policy.

### 3. Guidelines for distribution of dividend

The distribution of dividend can be by way of Interim Dividend and/or by way of Final Dividend as may be decided by the Board.

The Board at its discretion, while approving the annual accounts in each financial year, may also recommend dividend for the approval of the shareholders while considering the following parameters:

#### i. The circumstances under which the shareholders can or cannot expect dividend

The shareholders of the Company may expect dividend only if the Company is having surplus funds after providing all expenses, depreciation etc. and complying with the statutory requirements of Companies Act, 2013. Company's expansion/investment plans shall also be an important factor for taking dividend decision and determining the dividend amount.

#### ii. The financial parameters that shall be considered while declaring dividend

Subject to the provisions of the Companies Act, dividend shall be declared or paid only out of:

- (i) Current financial year's profit:
  - a. after providing for depreciation in accordance with law;
  - b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- (ii) The profits for any previous financial year(s):
  - a. after providing for depreciation in accordance with law;
  - b. remaining undistributed; or
- (iii) out of i) & ii) both.
- (iv) Interim dividend when approved shall be paid during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is declared; or out of any other funds as may be permitted by law.

### **iii. Internal and External factors that shall be considered for declaration of dividend**

The Company's Board shall always consider various internal and external factors while considering the quantum for declaration of dividend such as the overall economic scenario of the country, the prospects of the industry in which the Company operates, the statutory and regulatory provisions, the Company's own performance, its profitability, its growth and investment plans, and such other factors as may be deemed fit by the Board.

### **iv. Policy as to how the retained earnings will be utilized**

The profits earned by the Company can be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This policy aims to reconcile between all these needs.

### **v. Provisions with regard to various classes of shares**

The Company has only equity shares and does not currently have any other class(s) of share(s).

#### **4. Amendments**

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.

#### **5. Dissemination of Policy**

This Policy shall be hosted on the website of the Company and shall be disclosed in the Annual Report of the Company.

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