



**Concord Enviro Systems Limited**

*(formerly known as Concord Enviro Systems Private Limited)*

101, HDIL Towers, Anant Kanekar Marg, Bandra East, Mumbai 400054, India.

Tel: 91-22-6704 9000

Fax: 91-22-6704 9010

CIN: U45209MH1999PLC120599

## **DIVIDEND POLICY**

Dividends are declared at the Annual General Meeting of the shareholders based on the recommendation by the board. The board may recommend dividends, at its discretion, to be paid out to shareholders in accordance with the provisions of the Companies Act, 2013 and the rules framed thereunder. The board may also declare interim dividends.

The board shall follow the below guidelines before making any recommendations for dividends:

- I. Dividend shall be declared or paid only out of:
  - a) Current Year's post tax profit
  - b) Profits for any previous financial year(s) remaining undistributed
  
- II. Losses: Before declaring any dividend, the losses, if any, of any previous year(s) must be set off against the profits of the Company for the current year or previous years
  
- III. Amount of Dividend: The board shall not exceed the dividend payout ratio (Dividend / Net profit for the year) 33% subject to:
  - a) Company's need for capital for its growth plan
  - b) Positive cash flow
  
- IV. Factors to be considered before Declaring Dividend:
  - a) Plough back of profits i.e. future capital expenditure needs towards new projects, expansions, modernization.
  - b) Acquisition of businesses
  
- V. Timing: The board can declare both interim and final dividend. Interim dividend can be declared one to three times in a year subject to review of profits earned during the current year to date. Final dividend can be declared once every year based on the review of the audited financial statements.