

SURVIVAL TECHNOLOGIES LIMITED
(Formerly known as Survival Technologies Private Limited)

DIVIDEND DISTRIBUTION POLICY

Approved by the Board of Directors on December 15, 2022

SURVIVAL TECHNOLOGIES LIMITED

DIVIDEND DISTRIBUTION POLICY

OBJECTIVE

This Policy is framed in accordance with the requirement under Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof) ("**SEBI Listing Regulations**").

The Company shall make appropriate disclosures as required under the SEBI Listing Regulations from time to time.

DEFINITIONS

"Act" means Companies Act, 2013 including the rules framed there under and any statutory amendment(s) or modification(s) or circular(s) or notification(s) or order(s) thereof for the time being in force.

"Applicable Law" means the Act, the SEBI Listing Regulations, Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996, or any other law or act as may be applicable.

"Board of Directors" or **"Board"** means the Board of Directors of Survival Technologies Limited, as constituted from time to time.

"Company" means Survival Technologies Limited

"Dividend" is as defined under Section 2(35) of the Act.

"Policy" means this policy on Dividend Distribution as amended from time to time.

"Financial year" shall mean the period starting from 1st day of April and ending on 31st day of March every year.

Words and expressions used but not defined in this Policy but defined in any Applicable Law shall have the same meaning respectively assigned to them in such Applicable Law.

EFFECTIVE DATE

This Policy shall come into force with effect from listing of the Company on Recognized Stock Exchange(s).

DECLARATION OF DIVIDEND

The Board of Directors may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend,

after having due regard to the parameters laid down in this Policy subject to compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and SEBI Listing Regulations as amended from time to time.

PARAMETERS FOR DIVIDEND PAYOUT

The factors / parameters falling within the following categories shall be considered while taking decision on dividend distribution:

- **The circumstances under which the shareholders may or may not expect dividend:**

The Company intends to offer maximum return on investment to the shareholders keeping in mind the underlying growth and future of the Company. However, the Board may consider not declaring any dividend or declare a lower rate of dividend based on the following:

- i. Prospective growth opportunities/threats/concerns of the Company;
- ii. Inadequacy or absence of profits;
- iii. Higher working capital requirements for business operations of the Company.
- iv. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

- **Financial Parameters including Internal Factors that shall be considered while declaration of dividend:**

The financial parameters which would be considered while declaration of dividend by the Board are as follows:

- i. Profits of the Company;
- ii. Past dividend pattern;
- iii. Major capital expenditure to be incurred by the Company;
- iv. Cash flow requirements of the Company;
- v. Debt-equity ratio of the Company;
- vi. Cost of borrowing of the Company, keeping in view the growth opportunities;
- vii. Debt obligations of the Company;
- viii. Investments in new business;
- ix. Provisioning for financial implications arising out of unforeseen events and/or contingencies;
- x. Reputation of the Company;
- xi. Restrictions/covenants if any, contained in any lender agreements or any other arrangement or agreement entered into by the Company.

- **External Factors that shall be considered while declaration of dividend:**

Certain external factors could compel the Board of the Company to reflect on the dividend payout for any financial year of the Company. Some of the external factors affecting the Company's dividend payment are:

- i. Regulatory requirements;
- ii. Economic environment;
- iii. Political/geographical situations;
- iv. Inflation rate;

v. Industry Outlook for future years.

- **Utilization of Retained Earnings:**

The Company believes in cash retention for growth, expansion and diversification including acquisitions to be made by it, and also as a means to meet contingency. The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital;
- ii. Organic and/or inorganic growth;
- iii. Investment in new business(es);
- iv. Additional investment in existing business(es);
- v. Declaration of dividend;
- vi. Capitalisation of shares;
- vii. Buy back of shares;
- viii. General corporate purposes, including contingencies;
- ix. Any other permitted usage as per the Companies Act, 2013.

- **Parameters with regard to various classes of shares:**

Presently, the issued share capital of the Company comprises of only one class of equity shares of Rs. 2 each. In the event of the Company issuing any other class(es) of shares, the Board shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

MODIFICATIONS/ DEVIATIONS TO THE POLICY:

The Board of Directors or the Chairman is authorized to approve any minor modifications/ deviations to the policy and will be the competent authority for any interpretation regarding the policy. The modifications in the policy, if any, authorized by the Chairman, shall be placed at the ensuing/ next meeting of the Board of Directors for noting/ ratification.

DISCLOSURES

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

AMENDMENTS

The policy shall be reviewed periodically by the Board of Directors of the Company. Any amendments or changes made to it subsequent to the changes in the provisions of any Act or Regulations shall be consequently published on the website of the Company.

The amendments made shall be disclosed in the Annual Report and on the website of the Company.

DISCLAIMER

This document does not solicit investments in the Company's securities and further is not an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.