

**DIVIDEND DISTRIBUTION POLICY OF SAVITA OIL TECHNOLOGIES LIMITED****Preamble**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), as amended, require certain classes of Companies to formulate and disclose their Dividend Distribution Policy in the Annual Report and on the website of the Company. The Board of Directors ("Board") of Savita Oil Technologies Limited ("the Company") has adopted this Dividend Distribution Policy in compliance with the Regulations.

**Dividend Distribution Philosophy**

Dividend represents the portion of profit of the Company, which is distributed to shareholders in proportion to the amount of paid-up on shares held by them. Dividend includes Interim Dividend.

The Company is deeply committed to driving superior value creation for all its stakeholders. The focus of the Company is to continue its growth and protect the long term interests of its shareholders.

The Dividend Distribution Policy of the Company aims to strike a balance between the dual objective of rewarding shareholders through Dividend and ploughing back earnings to support sustained growth of the Company.

**Statutory and Regulatory Parameters**

The Company shall declare dividend only after ensuring compliance with the requisite regulations and directions as stipulated under the provisions of the Companies Act, 2013 and Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, other SEBI regulations and any other regulations as may be applicable from time to time.

The Board will assess the Company's financial requirements, including present and future growth opportunities, government policies & regulations and other relevant factors and accordingly declare dividend in any financial year.

**Circumstances under which shareholders may or may not expect Dividend**

The shareholders of the Company may not expect dividend under certain circumstances including the following:

- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Significant cash flow requirements towards higher working capital requirements adversely impacting free cash flow;



- An impending/ongoing capital expenditure program or any acquisitions or investment requiring significant allocation of capital;
- Allocation of cash required for buy-back of securities;
- Any of the internal or external factors restraining the Company from considering dividend.

#### **Financial parameters and other internal and external factors that would be considered for declaration of dividend**

The Board will consider various parameters as mentioned below before arriving at a decision on declaration of dividend:

- Current Year's Profit
- Accumulated Reserves
- Distributable surplus available as per the various Acts and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Government Policies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to dividend distribution

#### **Policy on Utilization of retained earnings**

Retained earnings shall be utilized in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purposes as approved by the Board of Directors of the Company. The Company shall endeavour to utilize retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

#### **Parameters with regard to various classes 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.

#### **Conflict in policy**

In the event of a conflict between this policy and the existing statutory regulations, the statutory regulations shall prevail.



A handwritten signature in dark ink, appearing to be "S. K. Chaudhary", with a horizontal line underneath it.

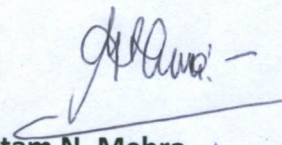
### **Modification of the Policy**

The Board is authorized to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, SEBI Regulations and other Statutory Regulations.

### **Review and Disclosure of Policy**

The Board may review the Dividend Distribution Policy of the Company periodically. The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website [www.savita.com](http://www.savita.com)

For and on behalf of the Board of Directors

  
**Gautam N. Mehra**  
Chairman & Managing Director



Date: 28<sup>th</sup> June, 2021

Place: Mumbai