

RPL/CORP/BSE
April 01, 2021

BSE Ltd.
Listing Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

Dear Sirs,

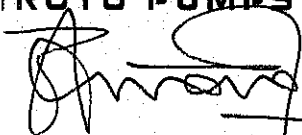
Sub.: **Dividend policy**
Ref.: **Scrip Code 517500**

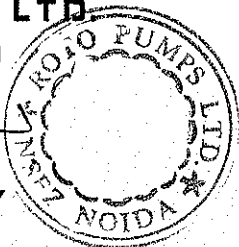
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, if any, we wish to inform you that the Board of Directors of the company at its meeting held on 31st March 2021 have also approved the Dividend distribution policy of the Company. A copy of the same is enclosed herewith for your reference and record please.

Thanking You,

Yours Faithfully

For **ROTO PUMPS LTD.**


ASHWANI K. VERMA
COMPANY SECRETARY



Encl- A/a

ROTO PUMPS LTD.

Regd. Off. & Global Headquarters: 13, Roto House, Noida Special Economic Zone, Noida-201305, Uttar Pradesh, India
T: +91 120 2567902-5 **F:** +91 120 2567911 **✉:** contact@rotopumps.com
CIN - L28991UP1975PLC004152 **🌐:** www.rotopumps.com

DIVIDEND DISTRIBUTION POLICY

This Policy is to set out the framework for dividend distribution decision by the Company in accordance with the provisions of Companies Act 2013, read with the applicable Rules framed there under, as may be in force for the time being ("Act") and to provide clarity to the stakeholders on the dividend distribution framework to be adopted by the Company.

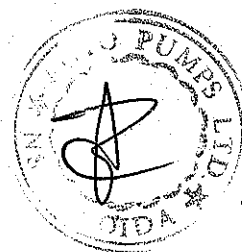
Dividend is the payment made by a Company to its shareholders, in the form of distribution of its profits. The profits earned by the Company can either be retained in business or utilized for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose 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.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Generally, dividend will be recommended by the Board once in a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the Shareholders, as may be permitted by the Act. Based on the performance of the Company, the Board may also declare payment of interim dividends as may be permitted by the Act.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out ratio in the range of 10% to 15% of the annual consolidated profit after tax (PAT) of the Company.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:



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Internal Factors: -

- i) Profits earned during the year;
- ii) Cash flow position of the Company;
- iii) Accumulated reserves;
- iv) Present & future Capital requirements of the existing businesses;
- v) Brand/ Business Acquisitions;
- vi) Expansion/ Modernization of existing businesses;
- vii) Additional investments in subsidiaries/associates;
- viii) Any other factor as deemed fit by the Board.

External Factors: -

- i) National and International economic outlook;
- ii) Industry outlook;
- iii) Applicable taxes;
- iv) Cost of external financing,
- v) Regulatory changes.

The Board may also consider the dividend payment history and expectation of the shareholders while determining the rate of dividend and may consider for payment of special dividend in special circumstances.

The Board may, having regard to the prospective business opportunities and threats, take a decision not to recommend / declare payment of any dividend or recommend / declare payment of dividend at lower rate. In such a case, the Board shall provide rationale of such decision in its Annual Report.

This policy may be reviewed by the Board periodically.

