

AJOONI BIOTECH LIMITED

DIVIDEND DISTRIBUTION POLICY

SCOPE AND PURPOSE

As per Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), listed companies are required to frame and adopt a policy to govern various aspects pertaining to distribution of dividend.

In compliance with this requirement, the Board of Directors (the Board) of Ajooni Biotech Limited (the Company) has adopted this Dividend Distribution Policy (the Policy).

The objective of this Policy is to provide the policy framework for declaration and payment of dividend in the best interests of the shareholders and the Company.

This policy will be applicable to interim and final dividend payouts by the Company.

DECLARATION OF DIVIDEND

Dividend shall be declared or paid out of the following:

1. Current financial year's profit:
 - a) after providing for depreciation in accordance with the Companies Act, 2013 read with the relevant rules thereunder;
 - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion; or
2. profits of any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed; or
3. out of both.

CIRCUMSTANCES UNDER WHICH THE BOARD MAY NOT RECOMMEND DIVIDEND

Under the following circumstances, the Board may decide not to recommend dividend to the shareholders:

- a) due to restrictions under any other law in force;
- b) due to losses incurred by the Company and if the Board considers it appropriate not to declare dividend for that particular year;
- c) due to any restrictions and covenants contained in any agreement as may be entered with the lenders or investor or any other person; and
- d) any other circumstance in which the Board does not deem it expedient to recommend any dividend.

The Board shall recommend the dividend payout after considering the balanced interest of the shareholders and the Company.

FACTORS AFFECTING DIVIDEND DECLARATION

Board shall consider the following factors before deciding the dividend pay-out:

External Factors:

The Board of Directors of the Company would consider the State of the capital markets, prevailing economic conditions and statutory and regulatory provisions, as well as the tax laws.

Internal Factors:

The Board shall take into account various relevant internal factors including financial parameters while declaring dividend, which inter alia may include the -

- Availability of earnings (including accumulated earnings) with the company
- Cash flow and liquidity position of the company
- Operating and financial performance of the Company
- Opportunities for investment of the funds of the Company for future growth

AMENDMENT

The Board may make any change in, or amendment to, this policy by majority vote.