



DIVIDEND POLICY



Introduction:

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'SEBI Regulations'). The Board of Directors of **BETABIOPHARM LIMITED** (the "Company"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("the Policy") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

1. Objective:

The Company aimed at maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavours to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

2. Circumstances under which dividend may or may not be declared:

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization, expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/ recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (a) in the event of the Company making losses or the profits are inadequate;
- (b) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (c) inadequate availability of cash; and
- (d) Higher cost of raising funds from alternate sources.

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations, Guidelines issued by Ministry of Corporate Affairs/Ministry of Finance/Department of Investment and Public Asset Management or any other authority.

3. Financial/Internal Parameters for Dividend Distribution

The Board of Directors of the Company would consider the following financial/internal parameters before declaring or recommending dividend to shareholders:

- a) Consolidated net operating profit after tax;
- b) Working capital requirements;
- c) Capital expenditure requirements;
- d) Resources required to fund acquisitions and / or new businesses
- e) Cash flow required to meet contingencies;
- f) Outstanding borrowings;
- g) Past Dividend Trends

4. External Parameters for Dividend Distribution

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- a) Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
- b) Dividend pay-out ratios of companies in the same industry

5. Utilization of Retained Earnings

The consolidated profits earned by the company can either be retained in the business & used for various purposes as outlined in clause (4) above or it can be distributed to the shareholders.

6. Policy Review

This policy will be reviewed & amended as & when required by the Board in due process.

7. Limitation & Amendment

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments & the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent modification/amendment in the Regulations, in this regard shall automatically apply to this policy.