



## *DiGiSPICE Technologies Limited*

*(Formerly Known as Spice Mobility Ltd)*

# Dividend Distribution Policy

(Effective from 9<sup>th</sup> June, 2021)

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## **DIVIDEND DISTRIBUTION POLICY**

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### **1. APPLICABILITY**

As per Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read after the SEBI Notification dated 5th May, 2021 the top 1000 listed companies (by market capitalization) are required to formulate a Dividend Distribution Policy and disclose the same on the website of the Company and to give a weblink of the same in the annual report. The Company currently has only one class of shares, viz. equity, for which this policy is applicable

The Board of Directors (“Board”) of DiGiSPICE Technology Ltd (“Company”) has adopted this Dividend Distribution Policy to comply with these requirements.

### **2. DEFINITIONS**

- a. **“Board”** shall mean Board of Directors of the Company;
- b. **“Dividend”** includes any interim dividend;
- c. **“Company” shall mean DiGiSPICE Technology Limited;**
- d. **“Policy”** means Dividend Distribution Policy;

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act and/or Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

### **3. PARAMETERS TO BE CONSIDERED WHILE DECLARING DIVIDENDS**

The Board will consider following parameters before arriving at a decision on declaration of dividend:

### **Financial Parameters and Internal Factors**

- Current year's profit
- Accumulated reserves
- Capital expenditure requirements
- Long term growth strategy of the Company
- Funds requirement for contingencies
- Stipulations/ Covenants of loan agreements
- Capital market scenarios
- The Company's liquidity position including its working capital requirements and debt servicing obligations
- Operating cash flow and future cash flow needs
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

### **External Factors**

- Government Policies and any changes therein
- Industry Outlook Macro- economic conditions and any changes therein
- Statutory provisions and Guidelines
- Prevailing Taxation Policy or any amendments or expected amendments therein, with respect to dividend distribution
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

#### **4. CIRCUMSTANCES UNDER WHICH THE BOARD MAY OR MAY NOT RECOMMEND DIVIDEND**

The Dividend Distribution will be subject to the factors as mentioned in the point 3 above.

The Board may decide not to recommend dividend to the shareholders in the following circumstances and to utilize the retained earnings for any of the these purposes :

- a. Proposed expansion plans requiring higher capital allocation.
- b. Requirement of higher working capital for the purpose of business of the Company.
- c. Proposal for buy-back of securities.
- d. In the event of loss or inadequacy of profit or any other compelling reasons.
- e. Replacement of capital assets
- f. any other circumstance in which the Board does not deem it fit to recommend any dividend.

### **Declaration of Dividend in the case of Loss/Inadequacy of Profits**

In the event of inadequacy or absence of profits in any financial year, the Company may, subject to the compliance of applicable provisions as may be applicable on the Company, declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the free reserves.

### **5. MODIFICATION OF THE POLICY**

The Board or Committee authorize by Board, may 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, or the applicable Regulations.

### **6. DISCLOSURES**

The Policy shall be disclosed on the website of the Company i.e. at [www.digispice.com](http://www.digispice.com).

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