



JUPITER WAGONS LIMITED

CIN: L28100MP1979PLC049375

Dividend Distribution Policy

1. Preamble

The Dividend Distribution Policy, (**the 'policy'**) pertains to the disbursement of dividend by Jupiter Wagons Limited (**'JWL' or the 'Company'**) This policy has been devised in adherence to the prevailing stipulations outlined in the Companies Act of 2013 and Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015. The primary aim of this policy is to establish the criteria that the Board of Directors of the Company must consider prior to announcing or suggesting dividend pay-outs.

In accordance with Regulation 43A, which mandates the formulation of the Dividend Distribution Policy for the top 1000 listed entities based on market capitalization (as calculated on March 31 of each financial year), the Company is required to disclose this policy on its official website: <https://jupiterwagons.com/>.

2. Definition

- a. **"Board of Director" or "Board"** means the Board of Directors of Jupiter Wagons Limited, as constituted from time to time.
- b. **"Company"** means Jupiter Wagons Limited.
- c. **"Policy"** means this policy on Dividend Distribution as amended from time to time.
- d. **"SEBI Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).
- e. **"Financial year"** shall mean the period starting from 1st day of April and ending on 31st day of March every year.

3. Effective Date

This policy shall be effective from the date of approval from the Board, unless stated otherwise.

4. Dividend

Under Section 2(35) of the Companies Act, 2013, "Dividend" includes any interim dividend. It is and inclusive and not an exhaustive definition. In common parlance, "dividend" means the profit of a company, which is not retained in the business and is distributed among the shareholders in proportion to the amount paid-up on the shares held by them. In case of listed companies, Section 24 of the Companies Act, 2013 confers on SEBI, the power of administration of the provisions pertaining to non-payment of dividend. Simply stated it is a return on investment made by the shareholders of the Company.

The Company can retain its profit for the purpose of reinvestment or can distribute the profit among its shareholders in the form of dividend.

"Final Dividend" means the Dividend recommended by the Board of Directors and declared by the member at an Annual General Meeting.

"Interim Dividend" means dividend declared by the Board of Directors.

5. Parameter for dividend payout

- a) The circumstances under which the shareholders may or may not expect dividend: The Company intends to offer maximum return on investment to the shareholders keeping in mind the underlying growth and future of the Company. However, the Board may consider not declaring any dividend or declare a lower rate of dividend based on the following:
- i. Prospective growth opportunities/threats/concerns of the Company
 - ii. Inadequacy or absence of profits
 - iii. Higher working capital requirements for business operations of the Company

- b) Financial parameters including internal and external factors that shall be considered while declaration of dividend:

The financial parameters which would be considered while declaration of dividend by the Board are as follows:

- i. Profits of the Company
 - ii. Past dividend pattern
 - iii. Major capital expenditure to be incurred by the Company
 - iv. Cash flow requirements of the Company
 - v. Debt-equity ratio of the Company
 - vi. Cost of borrowing of the Company, keeping in view the growth opportunities
 - vii. Debt obligations of the Company
 - viii. Investments in new business
 - ix. Provisioning for financial implications arising out of unforeseen events and/or contingencies
 - x. Restrictions/covenants if any, contained in any lender agreements or any other arrangement or agreement entered into by the Company
- c) Internal and external factors that shall be considered while declaration of dividend: Certain external factors could compel the Board of the Company to reflect on the dividend payout for any financial year of the Company. Some of the external factors affecting the Company's dividend payment are:
- i. Regulatory requirements
 - ii. Economic environment
 - iii. Political/geographical situations
 - iv. Inflation rate
 - v. Industry Outlook for future years
- d) Utilization of Retained Earnings: The Company believes in cash retention for growth, expansion and diversification including acquisitions to be made by it, and also as a means to meet contingency. The retained earnings of the Company may be used in any of the following ways:
- i. Capital expenditure for working capital
 - ii. Organic and/or inorganic growth
 - iii. Investment in new business(es)
 - iv. Additional investment in existing business(es)
 - v. Declaration of dividend

- vi. Capitalisation of shares
 - vii. Buy back of shares
 - viii. General corporate purposes, including contingencies
 - ix. Any other permitted usage as per the Companies Act, 2013
- e) Parameters with regard to various classes of shares: The holder of the equity shares of the Company, as on the record date, are entitled to receive dividend. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

6. Payment of dividend

- a) Time limit for deposit of dividend: The amount of the dividend, including interim dividend, must be deposited in a scheduled bank in a separate account within five (5) days from the date of declaration of such dividend.

Time limit for payment of dividend: The dividend has to be paid within such period as is applicable by the Companies Act, 2013 (Section 123).

- b) Dividend to be paid to Registered Shareholders: In terms of Section 123(5) of the Companies Act, no dividend shall be paid by a company in respect of any share therein except to the registered shareholder.
- c) Mode of payment of dividend: Any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

7. Transfer of unpaid and unclaimed dividend

If dividend has not been paid or claimed within the 30 days from the date of its declaration, the company is required to transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the company in a scheduled bank to be called "Unpaid Dividend Account". Such transfer shall be made within 7 days from the date of expiry of the said period of 30 days.

8. Transfer to Investor Education Protection Fund (IEPF)

Any money transferred to the unpaid dividend account of a company in pursuance of section 124 which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company to the Investor Education and Protection Fund. The Company shall deposit the unclaimed dividend amount after lapse of 7 years to IEPF within the prescribed period in the prescribed mode maintain the particulars of unpaid dividend transferred to IEPF for a period of 8 years from the date of such transfer.