

## **DIVIDEND DISTRIBUTION POLICY**

### **SUNTECK REALTY LIMITED**

#### **I. PREAMBLE**

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”), top 1000 listed companies (by market capitalisation) are required to formulate a Dividend Distribution Policy which shall be disclosed in their Annual Report and on their corporate website. Since the Company is one of the top one thousand listed companies as per the market capitalization prescribed and in line with the above statutory requirement, the Board of Directors of The Sunteck Realty Limited (‘the Company’) have adopted the Dividend Distribution Policy (hereinafter referred to as ‘the Policy’). The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Policy also ensures the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes, in the interest of providing transparency to the shareholders. The simplest ways for companies to communicate its Fundamentals, financial well-being and shareholder value is by way of Declaration and payment of Dividends over a period of Time and its power to increase them.

#### **II. EFFECTIVE DATE**

The Policy shall become effective from the date of its adoption by the Board i.e. April \_\_\_ 2026

#### **III. OBJECTIVE**

By introducing the Dividend Policy we aim at ensuring regular returns to the Shareholders on their investment as well as maintaining sufficient reserves within the Company for its future growth and expansion.

The Policy will regulate the process of dividend declaration and its pay-out 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 (“Companies Act”).

#### **IV. DIVIDEND DISTRIBUTION POLICY**

The Company is deeply committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

#### **V. PARAMETERS GOVERNING THE DISTRIBUTION OF DIVIDEND**

##### **A. Factors for recommendation/ declaration of Dividend**

## **1. Financial Parameters / Internal Factors**

The Board shall consider the below mentioned financial parameters for the purpose of recommendation /declaration of dividend:

- a) Financial performance including profits earned, available distributable reserves etc;
- b) Capital expenditure and working capital requirements;
- c) Financial commitments w.r.t. the outstanding borrowings and interest thereon;
- d) Liquidity and return ratios;
- e) Financial requirement for business expansion and/or diversification, acquisition etc. of new businesses;
- f) Provisioning for financial implications arising out of unforeseen events and/or contingencies;

## **2. External Factors**

The Board shall also consider the below mentioned external factors at the time of taking a decision w.r.t recommendation/declaration of dividend:

- a) Business Cycles;
- b) Economic Environment;
- c) Cost of external financing;
- d) Applicable taxes including tax on dividend,
- e) Industry outlook for the future years;
- f) Inflation rate; and
- g) Changes in the Government policies, industry specific rulings & regulatory provisions.

## **B. Circumstances under which the shareholders can expect dividend**

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year subject to statutory provisions as applicable.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

## **4. Type of Dividend and Manner of Dividend Payout**

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

The given below is a summary of the process of declaration and payment of dividends, and is

subject to applicable regulations:

**Interim Dividend –**

- a. Interim dividend, if any, shall be declared by the Board.
- b. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend
- c. The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.
- d. The interim dividend, if declared, shall be paid to the eligible shareholders, as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2nd quarter/half –year, and 2nd interim dividend, if any, may be declared at the time of approving financial statements for the 3rd quarter of the financial year.
- e. In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.
- f. The payment of Interim dividend shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.

**Final Dividend**

- a. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company at the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- b. The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- c. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

**C. Manner of Utilization of Retained Earnings**

The retained earnings of the Company may be used in any of the following ways:

- Capital expenditure for working capital;
- Organic and /or inorganic growth;
- Additional investment in existing business(es);
- Declaration of Dividend;
- Capitalization of shares (Issue of Bonus Shares);
- Buy back of shares;
- General corporate purposes, including contingencies;
- Investment in new business(es);
- Any other permitted usage as per the Companies Act, 2013 and applicable statutes.

**D. Other factors to be considered with regard to various classes of shares.**

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

**VI. REVIEW AND / OR AMEND THE POLICY**

The Policy may be reviewed and/or amended by the Audit Committee and or Board of Directors as and when required to ensure that it meets the objectives of the Statutory Provisions and remains effective.

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to this Policy.

**Reporting and Disclosure**

As prescribed by Regulation 43A of the Listing Regulation, this Policy shall be disclosed on the Company's website and the Annual report.

**Disclaimer**

This Policy should not be treated as a commitment regarding future dividend payout of the Company and represents a general guidance regarding the dividend policy of the Company. All the stakeholders, including present and prospective investors are cautioned not to place undue reliance on any forward-looking statements in the Policy.

**Contact Details**

Stakeholders/Investors can write to [cosec@sunteckindia.com](mailto:cosec@sunteckindia.com) to seek any clarification on this dividend distribution policy.

**(Last amended on 21st April, 2026)**