DCM SHRIRAM INTERNATIONAL FINE CHEMICALS

DCM SHRIRAM FINE CHEMICALS LTD.

Dividend Distribution Policy

(Approved by Board of Directors on 24.12.2025)

Introduction

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy, which shall be disclosed in the website of the Company and weblink has to be disclosed in the annual report.

The Company has formulated this Policy on dividend distribution with a view to inform the shareholders about how it aims to utilize profits and the parameters that shall be adopted with regard to the shares.

Objective

The objective of the Policy is to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Board of Directors (Board) may consider declaration of interim dividend depending upon the profit position and cash flow situation of the Company. The dividend distribution shall be as per the recommendations of the Board and shall always be decided at an annual general meeting of shareholders in case of final dividend. Depending on the long term growth strategy of the Company and the prevailing circumstances, the Board may consider a higher dividend payout ratio, while trying to ensure that sufficient funds are retained for growth of the Company. Efforts will be to follow a stable dividend policy.

DCM SHRIRAM INTERNATIONAL FINE CHEMICALS

Definitions

(i) "Act" means the Companies Act, 2013 and Rules made thereunder, including any statutory amendment(s) or modification(s) thereof for the time being in force.

(ii) **"Dividend"** includes final and interim dividend.

(iii) **"Dividend Payout ratio"** means a fraction of net income a company pays to its shareholders as dividend.

(iv) **"Market** capitalization" means the aggregate value of the company based on its currentmarket price and the total number of outstanding shares of the company.

(v) **"Paid-up Share Capital"** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

(vi) **"Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, from time to time and as notified by the Securities and Exchange Board of India.

Declaration and payment of Dividend

Dividend for a financial year shall be paid after the annual financial statements of the Company are finalized and the amount of distributable profits is available. The declaration and payment of dividend shall be in accordance with the provisions of Sections 123 to 128 of the Act. Pursuant to the provisions of Section 123 of the Act, the Board shall recommend dividend for any financial year subject to the following:

(a) out of the profits of the Company for that year arrived after providing for depreciation; or

(b) out of the profits of the Company for any previous financial year(s) arrived at after providing for depreciation and remaining undistributed; or

(c) out of both (a) and (b).

DCM SHRIRAM INTERNATIONAL FINE CHEMICALS

Parameters for declaration of dividend

The Board shall consider the following circumstances like current year's profit, future outlook, reinvestment opportunities of the Company, tax benefits, Company's present and future performance for declaration and payment of dividend.

(i) Financial parameters

(a) Availability of profits;
(b) Financial feasibility of the Company;
(c) Favorable Debt Equity ratio;
(d) Debt interest coverage ratio;
(e) Liquidity position;
(f) Business expansions, acquisitions, etc.;
(g) Favorable state of the capital markets;
(h) Profit growth.

(ii) External Factors

(a) Shareholders' expectations;
(b) Uncertain or recessionary economic and business conditions;
(c) Restrictions imposed under the Act with regard to declaration of dividend;
(d) Sectorial performance;
(e) Future uncertainties and industrial downturn;
(f) Government policy;
(g) Risk effect.

(iii) Internal Factors

(a) Growth rate of past earnings;
(b) Growth rate of predicted profits;
(c) Expansion and modernization of existing business;
(d) Working capital requirements;

(iv) Classes of Shares

The Company has issued only one class of shares viz., equity shares. In case of issue of new class of shares in the future, the policy will be reviewed accordingly.

Publication of Policy

This Policy, as approved by the Board, shall be disclosed through weblink in the Annual Report and on the website of the Company at https://dsfcl.com/

Amendment

In case of any subsequent changes in the provisions of the Act or Regulations or Income Tax Act, 1961 or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or such other regulations, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make it consistent with applicable laws.

Any such amendments shall be disclosed along with the rationale for the same in the Annual Report and on the website of the Company.

Sd/-

(Urvashi Tilakdhar)
Senior Managing Director

Dated: 24.12.2025