



DIVIDEND DISTRIBUTION POLICY



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Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. PREAMBLE

The Securities and Exchange Board of India vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalisation calculated on March 31 of every financial year.

2. OBJECTIVE

In compliance with Regulation 43A of the Listing Regulations, the Company is required to frame a Dividend Distribution Policy which would aid investors in identifying stocks that match with their investment objectives.

3. EFFECTIVE DATE

This Policy is effective from the financial year 2016-2017.

4. DEFINITIONS

- a) 'Act' means the Companies Act, 2013 and Rules made thereunder, including any amendments or modifications thereof.
- b) 'Board of Directors' or 'Board' means the collective body of the Directors of the Company.
- c) 'Company' mean Lupin Limited.
- d) 'Policy' means, 'Dividend Distribution Policy'.

5. GUIDELINES FOR DISTRIBUTION OF DIVIDEND

- 5.1 The Company shall pay dividend (including interim dividend) in compliance with the provisions of Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014.
- 5.2 The Company shall ensure that distribution of dividend protects the rights of minority shareholders.
- 5.3 The Board shall not recommend dividend if it is of the opinion that it is financially not prudent to do so.
- 5.4 The Company shall pay dividend to its shareholders depending upon the performance and size of net profits earned by it during any financial year.
- 5.5 The Company shall pay dividend to its shareholders depending upon the liquidity position of the Company.
- 5.6 The Board shall consider investment plans of the Company including capex, R&D, acquisitions, etc.
- 5.7 The Board shall take into account dividends paid by the Company in the last five years as also those declared by its peers and other leading companies.
- 5.8 While the Company shall strive to conserve resources for its future growth plans, the dividend payout will not be less than 10% of the consolidated net profit of the Company in any financial year and the said payout shall include tax on dividend as per relevant regulations.

6. AMENDMENTS

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.

7. DISCLOSURE

This Policy as approved by the Board of Directors shall be disclosed in the Annual Reports and hosted on the website of the Company www.lupin.com
