

**DIVIDEND DISTRIBUTION POLICY***of Mcon Rasayan India Limited**(pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended)***1. Effective date**

This Dividend Distribution Policy shall be effective from 19th December 2022.

2. Preamble

This Dividend Distribution Policy ("Policy") has been formulated in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), as applicable to companies listed on the NSE SME Platform.

This Policy sets out the principles to be followed by Mcon Rasayan India Limited ("the Company") in relation to the declaration and distribution of dividends to its shareholders, with the objective of ensuring transparency and consistency in the decision-making process.

3. Objective

The objective of this Policy is to lay down the parameters to be considered by the Board of Directors of the Company for deciding whether or not to distribute dividend and the quantum of dividend to be declared or recommended.

4. Parameters for Declaration of Dividend

The Board of Directors shall consider the following parameters while recommending or declaring dividend:

a. Financial Parameters and Internal Factors:

- Profitability of the Company and retained earnings.
- Operating cash flows and availability of surplus cash.
- Capital expenditure and working capital requirements.
- Future business plans and growth opportunities.
- Cost of raising funds from alternate sources.
- Past dividend trends and stability of earnings.
- Any loan covenants or restrictions in financing agreements.

b. External Factors:

- Macroeconomic conditions and market trends.
- Government policies, tax implications, and SEBI/ROC guidelines.
- Inflation and interest rate scenario.
- Impact of regulatory changes and statutory obligations.

Registered Office: 101/A, 1st Floor, Maxheal House, Plot-169, Cts-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai, Maharashtra - 400090

Corporate Office: Gala No 6 Bardanwala Estate, Nr Dutt Mandir Bandiwali Hill Road, Jogeshwari West, Mumbai, Maharashtra - 400102

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5. Circumstances Under Which Shareholders May or May Not Expect Dividend

The shareholders of the Company may not expect dividend under the following circumstances, among others:

- Inadequacy of profits or cash reserves.
- Ongoing or proposed business expansion or acquisition.
- Any adverse macroeconomic or business conditions.
- Regulatory restrictions or unfavorable tax treatment.

6. Manner of Utilization of Retained Earnings

The Company may utilize retained earnings for purposes including but not limited to:

- Funding expansion and diversification.
- Capital expenditure or acquisition.
- Strengthening the balance sheet by reducing debt.
- Contingency planning and risk mitigation.

7. Dividend Payout

The dividend payout decision, including interim and/or final dividend, shall be at the sole discretion of the Board of Directors and subject to shareholders' approval, where applicable. The Board may recommend:

- **Interim Dividend(s)** during the financial year.
- **Final Dividend** at the end of the financial year, subject to shareholders' approval.

The Company shall ensure compliance with applicable laws, including the Companies Act, 2013 and SEBI LODR Regulations, in relation to dividend declaration and payment.

8. Amendments to the Policy

This Policy may be amended from time to time by the Board of Directors based on changes in applicable laws or business requirements. Any changes to the Policy shall be disclosed as required under applicable regulations.

9. Disclosure

This Policy shall be disclosed on the Company's website and a web link shall be provided in the Annual Report and other relevant filings as per SEBI LODR Regulations.

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