

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

Pursuant to provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The top 1000 listed entities based on market capitalization calculated as on March 31 of every financial year shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports.

The Board of Directors of Gokul Agro Resources Limited has formulated and adopted Dividend Distribution Policy in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has uploaded the same on website of the company at www.gokulagro.com.

2. EFFECTIVE DATE

The policy will come into effect on its adoption by the Board of Directors.

3. OBJECTIVE

The Objective of this policy is to establish the parameters to be considered by the Board of Directors before recommending or declaring dividend and maintaining an optimum balance between rewarding shareholders through dividend and retained earnings.

4. SCOPE

Recommendation of Dividend, if any, shall be made by the Board of Directors usually in the Board meeting that considers and approves the Financial Statements.

The dividend as recommended by the Board of Directors shall be approved/declared in the Annual General Meeting of the Company. Interim Dividend shall be recommended and declared by the Board of Directors.

5. PARAMETERS TO BE CONSIDERED WHILE RECOMMENDING DIVIDEND

a) FINANCIAL PARAMETERS

- i) Availability of Profits.
- ii) Financial Feasibility.
- iii) Liquidity Position.

b) INTERNAL FACTORS

- i) Growth rate of Past Earnings.
- ii) Growth rate of Predicted Profits.
- iii) Working capital requirements.
- iv) Cost of Borrowings.
- v) Any other factor as may be deemed fit by the Board of Directors.

c) EXTERNAL FACTORS

- i) State of Economy and Capital Markets.
- ii) Applicable taxes including Dividend Distribution Tax.
- iii) Shareholders Expectations.
- iv) Government Policy.
- v) Any other factor as may be deemed fit by the Board of Directors.

6. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

- i) If during any financial year, the profits of the company are inadequate, The Board of Directors may decide not to recommend any dividend for that year.
- ii) In case the company undertakes or proposes to undertake expansion project requiring higher allocation of capital.
- iii) In case of higher working capital requirements adversely affecting the cash flow.

7. MANNER OF UTILIZATION OF RETAINED EARNINGS

The retained earnings shall be deployed in line with the objects of the Company as detailed in Memorandum of Association of the Company. The Company shall endeavor to utilize its retained earnings in a manner which shall be beneficial to the interest of the Company and also its shareholders.

8. AMENDMENT

The Board of Directors may, from time to time, make amendment(s) to this Policy to the extent required due to change in applicable laws and / or regulations or as deemed fit on a review.