

GE VERNOVA T&D India Limited
Dividend Distribution Policy

BACKGROUND

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company ("the Board") had approved Dividend Distribution Policy at its meeting held on March 14, 2017, which was effective from the said date . The Dividend Distribution Policy ("the Policy") was then amended by the Board of Directors at its meeting held on March 11, 2025 effective from the same date.

OBJECTIVE

Subject to the provisions of the Companies Act, 2013, rules framed thereunder and any other laws and regulations as may be applicable, the Board of Directors may declare interim dividend or recommend declaration of final dividend to the shareholders.

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

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The decision on dividend payouts aims to balance the dual objective of rewarding shareholders through dividends and retaining profits to support the Company's business requirement, immediate expansion plans and growth plans.

Shareholders may expect dividends only if the Company has surplus profits and such profits are not required to be retained for business needs of the Company after considering relevant Financial Parameters, Internal and External factors.

Shareholders may not expect dividend if profits are not adequate for payment of dividend or otherwise required for business expansion or other business needs of the Company.

FINANCIAL PARAMETERS AND INTERNAL FACTORS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND

The Board of the Company shall consider such financial parameters and internal factors as it deems fit while declaring dividend or recommending dividend to shareholders which shall include the following:

1. Reported and Projected Net Profit after Tax (PAT) available for distribution for the current and projected periods;
2. Capital allocation plans including:
 - Expected cash requirements of the Company towards working capital;
 - Capital Expenditure for capacity additions/ new products introduction, maintenance of existing plant and Equipments;
 - organic and in-organic growth;
 - Share Buy Back Plans, if any;
 - Requirement of funds for contingencies or unforeseen events.
3. Reported and Projected statements of Cash Flow generation;
4. Outstanding borrowings of the Company and loan repayment obligations including cost of servicing outstanding borrowings;
5. Current and Projected Debt-raising capacity and Cost of raising debt;
6. Past dividend trends i.e., rate of dividend, EPS and payout ratio, etc.

EXTERNAL FACTORS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND

- **Macro-economic Environment** - Material changes in the macro-economic environment impacting the industry in which the Company operates or the locations from where it conducts business.
- **Regulatory changes** - The introduction of new regulatory requirements or significant changes in existing taxation or other regulatory requirements that impacts the industry in which the Company operates.
- **Technological advancements** requiring substantial new investment.
- **Geopolitical environment** affecting the supply chain, logistics, financing, or the execution of ongoing projects.
- Other external factors beyond control of the Management like natural calamities, fire etc. effecting operations of the Company.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares, namely equity shares.

POLICY AS TO HOW RETAINED EARNINGS SHALL BE UTILIZED

Retained earnings may be used for capital expenditures, acquisitions to support organic and inorganic growth, long-term working capital, general corporate purposes, distribution to shareholders as dividends, bonus shares, share buybacks etc., investment, Repayment of debt or other purposes as deemed appropriate by the Board from time to time.

AMENDMENTS

The Board may periodically amend this Policy as necessary to comply with changes in applicable laws and Listing Regulations, or as deemed appropriate upon review.

In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

DISCLOSURE

The Policy will be posted on the Company's website, and a web link to it will be included in the Company's Annual Report.