

Bombay Potteries and Tiles Limited



Dividend Distribution Policy



PREAMBLE

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the top 1000 listed entities (based on market capitalization as on the 31st March of every financial year) need to mandatorily formulate a dividend distribution policy. Accordingly, the Board of Directors ('Board') of Bombay Potteries & Tiles Limited ('Company') has adopted this 'Dividend Distribution Policy' ('Policy').

This Policy aims to lay down a framework regarding distribution of dividend and retention of profits by the Company and to provide clarity to the stakeholders on the dividend distribution strategy of the Company.

The Board of Directors shall recommend a dividend in compliance with this policy, the provisions of the Companies Act, 2013 and rules made thereunder and other applicable legal provisions.

REGULATORY FRAMEWORK

The Company shall pay dividend (including interim dividend) in compliance with the relevant provisions of the Companies Act, 2013 (the 'Companies Act'), the Companies (Declaration and Payment of Dividend) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI LODR'), as amended from time to time and such other act, rules or regulations which provide for the distribution of dividend.

DEFINITIONS

- 1) "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.
- 2) "Dividend" includes final and interim dividend.
- 3) "Dividend Payout ratio" means a fraction of net income a company pays to its shareholders as dividend.
- 4) "Market capitalisation" means the aggregate value of the company based on its current market price and the total number of outstanding shares of the company.
- 5) "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.

OBJECTIVE

The objective of this Policy is to provide a framework for distributing the profits of the Company by way of dividends in a way that shareholders can participate equitably in the company's growth, while maintaining the financial foundation of the company and ensure sustainable growth.

PARAMETERS FOR DECLARATION OF DIVIDEND

Dividend (including interim and/or final) would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting.

The Policy lays down below parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time. However, the Company reserves the right to carry out in



any change in the aforesaid parameters, in the best interest of the Company, shareholders and/or other stakeholders.

A. Financial Parameters / Internal Factors:

- Consolidated net operating profit after tax;
- Working capital requirements;
- Capital expenditure requirements;
- Resources required to fund acquisitions and / or new businesses
- Cash flow required to meet contingencies;
- Outstanding borrowings;
- Past Dividend Trends including interim dividend paid;
- Tax implications, if any, of distribution of dividend;
- Any other factor which may have a financial impact on the company or as deemed fit by the Board.

B. External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

- General Economic environment and Market conditions;
- Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:

As the company is Manufacturing Company which is engaged in the Manufacturing and selling of all kinds of glazed and unglazed articles, namely flooring tiles, glazed tiles, and sanitary goods, the profits of the company may vary from year to year depending on the market conditions due to which its dividend payout can also vary from year to year. The Company, having regard to profits & other financial parameters as per applicable legal provisions, shall endeavour to maintain a reasonable dividend payout, to the extent possible, taking into consideration the past dividend payout history.

The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- Where the Company incurs losses or the profits are inadequate and the Board consider it appropriate not to declare dividend for any particular year;
- Adverse market conditions or regulatory constraints;
- Proposal for buy-back of securities;
- Significant expansion project requiring higher allocation of capital;
- Other unanticipated events as may be decided by the Company.

UTILIZATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the funds available and increase the value of the stakeholders in the long run after having due regard to the parameters laid down in this Policy. The consolidated profits earned by the Company can either be retained in the business or used for various purposes, or it can be distributed to the shareholders.



PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

DISCLOSURE AND AMENDMENT / REVIEW OF POLICY

The Company is committed to continuously reviewing and updating our policies and procedures. Therefore, this policy is subject to revision / amendment on a periodic basis, as may be necessary. Any amendment(s) of any provision of this policy shall be carried out by persons authorized by the Board in this regard. This policy (as amended from time to time) will be available on the company's website.

www.bombaypotteries.com

Effective Date: November 12, 2025

Date of the approval by the Board: November 12, 2025

