



LE TRAVENUES TECHNOLOGY LIMITED
DIVIDEND DISTRIBUTION POLICY

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1. Introduction

Le Travenues Technology Limited - Dividend Distribution Policy (the “Policy”) has been formulated in compliance with the provisions of the Companies Act, 2013 (the “Act”) and the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”). The Listing Regulations provides that the top 1000 listed entities based on the 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 Policy has been approved by the board of directors of Le Travenues Technology Limited on January 06, 2022.

2. Definitions

- (i) “**Act**” means the Companies Act, 2013 as amended from time to time read with the rules framed thereunder (as amended).
- (ii) “**Applicable Laws**” shall mean the Companies Act, 2013 and rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, together with the circulars issued thereunder; and such other act, rules or regulations which deals with the distribution of dividend.
- (iii) “**Board**” means the board of directors of the Company.
- (iv) “**Company**” means Le Travenues Technology Limited.
- (v) “**Directors**” shall mean all directors, including independent directors of the Company.
- (vi) “**Dividend**” shall mean dividend as defined under applicable laws and includes interim dividend.

All other words and expressions used but not defined in the Policy but defined in the Act, the Applicable Laws, the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/ or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them under such acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

3. Objective

The objective of the Policy is to establish the parameters (including internal and external factors) to be considered by the Board before declaring or recommending dividend. Through the Policy, the Company will endeavor to maintain fairness, consistency and sustainability while distributing profits to the shareholders of the Company.

The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking a decision on distribution of or retention of profits, in the interest of providing transparency to the shareholders.

4. Category of Dividends

The Act provides for two forms of Dividend - Final and Interim. The Board shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

- (a) Final Dividend: it is paid once for the financial year after annual accounts for the respective financial year are prepared. The Board has the power to recommend the payment of final dividend to the shareholders in a general meeting. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the annual general meeting.
- (b) Interim Dividend: it may be declared by the Board one or more times for a financial year as per its discretion in compliance with the Policy. As a procedural compliance, the Board may consider declaring an interim dividend along with the approval of the quarterly / half yearly / annual financial accounts.

5. Circumstances under which the shareholders may or may not expect dividend

The decision regarding dividend payout is an important decision as it determines the amount of profit to be distributed among shareholders and the amount of profit to be retained in business. Hence, the shareholders of the Company may expect dividend only if the Company is having adequate profits after complying with all other statutory requirements under the Applicable Laws.

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

- (a) in case of inadequacy of profits or whenever the Company has incurred losses;

- (b) whenever the Company undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- (c) whenever the Company undertakes any acquisitions or joint arrangements requiring significant allocation of capital;
- (d) significantly higher working capital requirement affecting free cash flow;
- (e) whenever the Company proposes to utilize surplus cash for buy- back of securities or setting off of previous year losses or losses of its subsidiary/ies; and
- (f) in case being prohibited to recommend / declare dividend by any regulatory body.

The Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the financial year and the Board reserves the right to depart from the Policy as and when circumstances so warrant. Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward-looking statements in the Policy, if any.

6. Financial and other parameters to be considered before recommending dividend

The Board shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- (a) Profits earned and available for distribution during the financial year;
- (b) Accumulated reserves including retained earnings;
- (c) Earnings outlook for next three to five years;
- (d) Expected future capital / expenditure requirements of the Company;
- (e) Organic growth plans / expansions;
- (f) Long term investment proposed, capital restructuring, debt reduction;
- (g) Cost of raising funds from alternate sources;
- (h) Crystallization of contingent liabilities of the Company;
- (i) Net Profit earned during the financial year as per the consolidated financial statements;
- (j) Cash flows;
- (k) Current and projected cash balance;
- (l) Debt repayment schedules, if any;
- (m) Impact of dividend payout on Company's return on equity, while simultaneously maintaining prudent and reasonably conservative leveraging in every respect viz. interest coverage, DSCR (Debt Service Coverage Ratio) Net Debt: EBITDA and Net debt equity, including maintaining a targeted rating - domestically and internationally;
- (n) Fund requirement for contingencies and unforeseen events with financial implications;

- (o) Past Dividend trend including Interim dividend paid, if any; and;
- (p) Any other relevant factors and material events.

The Board shall consider the following external parameters while declaring or recommending dividend to shareholders:

- (a) Macro-economic environment - significant changes in macro-economic environment materially affecting the business in which the Company is engaged in the geographies in which the Company operates.
- (b) Regulatory changes - introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the business in which the Company is engaged.
- (c) Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.
- (d) Other factors like statutory and contractual restrictions.

7. Utilisation of retained earnings

Retained earnings shall be utilised in a manner which is beneficial to the interests of the Company and also its shareholders. The retained earnings may be utilised by the Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. In absence of any viable growth opportunity (organic / inorganic), the Company shall utilise retained earnings for reducing its debt obligations. In absence of the opportunity to utilise retained earnings in any of the above options, as an exception, the Board shall use the larger portion of profits to distribute amongst the shareholders as dividend.

8. Parameters that shall be adopted with regard to various classes of shares

The Company is having only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the Applicable Laws and will be determined, if and when the Company decides to issue other classes of shares.

9. Conflict in Policy

In the event of any conflict between the Policy and the provisions contained in the Applicable Laws, the provisions of Applicable Laws shall prevail.

10. Amendment

If the Company proposes to declare dividends, on the basis of parameters in addition to the parameters mentioned in the Policy, or proposes to amend the Policy, it shall disclose such changes along with a rationale for the same in the annual report and on the website of the Company.

In case of any subsequent changes in the provisions of the Act or Applicable Laws, or any other regulations which makes any of the provisions of the Policy inconsistent with them, then such provisions would prevail over the Policy.

The Board reserves the right to modify and/or amend the Policy at any time. The Policy (as amended from time to time), shall be published on the website of the Company at www.ixigo.com