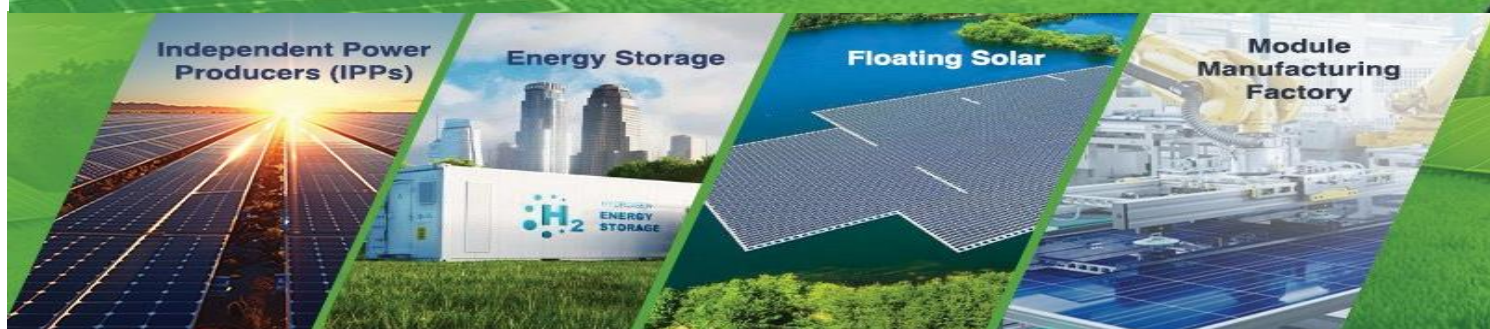


Dividend Distribution Policy

FOR A SUSTAINABLE FUTURE



Dividend Distribution Policy

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Dividend Distribution Policy

1. Preamble

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), Solarworld Energy Solutions Ltd. (the "Company") has formulated a Dividend Distribution Policy

2. Objective

The objective of this policy is to comply with Regulation 43A of SEBI (LODR). The Board of Directors (the "Board") approved this policy during its meeting on 20th September 2024.

3. Effective Date

This policy will be effective immediately after 20th September 2024.

4. Guidelines for Dividend Declaration/Recommendation

4.1 The Company will adhere to the statutory requirements outlined in the Companies Act, 2013 when deciding on dividend declarations.

4.2 Dividends will be declared in accordance with Section 123 of the Companies Act, 2013, and the Companies (Declaration and Payment of Dividend) Rules, 2014.

4.3 The Board will consider the expectations of all stakeholders, including minority and small shareholders, during the dividend declaration process.

5. Exclusions from the Policy

5.1 This policy does not apply to the distribution of dividends in kind, such as bonus shares or other securities, as permitted by law.

5.2 It also excludes the distribution of funds through equity share buybacks as an alternative to dividends.

6. Utilization of Retained Earnings

6.1 The Company is engaged in manufacturing pesticides for farmers in India.

6.2 Retained profits will be reinvested for business growth and expansion.

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6.3 Decisions regarding the use of retained earnings will be based on factors such as strategic plans, diversification, government guidelines, and other considerations deemed appropriate by the Board, with the aim of enhancing shareholder value sustainably.

7. Factors Considered for Dividend Declaration

- 7.1** Available surplus funds.
- 7.2** Liquidity position and future cash flow needs.
- 7.3** Historical dividend distribution track record.
- 7.4** Current taxation policies regarding dividends.
- 7.5** Capital expenditure requirements for expansion and acquisitions.
- 7.6** Cost and availability of alternative financing.
- 7.7** General macroeconomic and business conditions.
- 7.8** Any other factors that the Board may consider relevant.

8. Circumstances for Dividend Expectations

- 8.1** The Board will make the dividend declaration decision after thorough consideration of all relevant factors. The Company aims to balance shareholder rewards with the retention of profits for future needs.
- 8.2** The Company has consistently paid dividends and expects to continue this trend unless constrained by insufficient profits or the necessity to retain earnings for business operations or other factors.
- 8.3** While the Company aims to declare dividends in line with government guidelines, it may propose lower dividends based on financial assessments and cash flow requirements.

9. Amendments

The Board retains the right to amend or modify this policy at any time as deemed necessary.

10. Disclosure

This policy will be included in the Annual Report and made available on the Company's website.

