



DIVIDEND DISTRIBUTION POLICY

A. Background and applicability

In compliance with the provisions of the Companies Act, 2013 and rules made thereunder (the 'Act') and Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), as amended from time to time, this Policy provides guidance for declaration of dividend and its pay-out by the Company.

The Board of Directors ("Board") of Music Broadcast Limited ("Company") has adopted this Dividend Distribution Policy and will consider this Policy while declaring / recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for recommending / declaring dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board..

The Company currently has only two classes of shares, viz. equity and Non-Convertible Preference Shares ("NCRPS"), for which this policy is applicable. The Policy is subject to review and amendments as and when the Company issues different classes of shares.

B. Dividend distribution philosophy

The Company is committed to driving value creation for all its stakeholders. The focus will continue to be on sustainable returns. The Board philosophy is to distribute maximum possible surplus cash to the shareholders. The policy shall be subject to provisions of the Act, read with relevant rules as amended from time to time.

C. Dividend

Dividend is the share of profit that a company decides to distribute among its shareholders. The profits earned by the company can either be retained in the business or can be distributed among the shareholders as dividend. Dividend includes Interim Dividend.

The Dividend on NCRPS shall be at the coupon rate as may be decided by the Company at the time of issuance of such NCRPS to the shareholder in accordance with the Act.

D. Circumstances under which shareholders can expect Dividend

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.



The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Act. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

E. Types of Dividends

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges and do all the compliances, as required by Listing Regulations and under the Act.

F. Financial parameters and other internal and external factors that would be considered for declaration of Dividend

- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Mergers & Acquisitions
- Additional investment in subsidiaries/associates of the company
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure
- Stipulations/ Covenants of loan agreements
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

G. Utilization of retained earnings

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose



H. Modification of the Policy

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Act, the Regulations, etc.

I. Disclosure:

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report.

J. Disclaimer

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.