



## Linde India Limited Dividend Distribution Policy

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### 1. Preamble:

This Dividend Distribution Policy has been made pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2. Effective Date:

The Policy shall become effective from the date of its adoption by the Board, i.e., 11<sup>th</sup> February 2017.

### 3. Definitions:

- a. 'Act' means the Companies Act, 2013 including any amendments or modifications thereof.
- b. 'Board' means the Board of Directors of the Company.
- c. 'Company' means 'Linde India Limited'.
- d. 'Policy' means 'Dividend Distribution Policy'.
- e. 'Applicable law' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any other law or regulations as may be applicable to the Company from time to time.

### 4. Declaration:

The Company shall strive to declare a steady stream of dividends to the shareholders keeping their long term interest in mind. The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as in force and as amended from time to time.

### 5. Circumstances under which the shareholders of the Company may or may not expect dividend:

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The Company follows policy of consistent dividend payment to its shareholders and reasonably expects to continue declaring dividend in future as well, unless restrained by loss/inadequacy of profits during any financial year or any unforeseen circumstances.

### 6. Factors to be considered for Dividend Payout:

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividend on equity shares:



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- a. Stability of earnings.
- b. Cash flow position from operations.
- c. Future capital expenditure, inorganic growth plans, etc.
- d. Industry outlook and stage of business cycle for underlying businesses.
- e. Leverage profile and capital adequacy metrics.
- f. Overall economic / regulatory environment.
- g. Interim dividend paid, if any, based on the performance during the year.
- h. Past dividend trends.
- i. Such other factors as the Board considers appropriate.

### **7. Utilization of retained earnings:**

The Company would utilize its retained earnings in a manner which is beneficial for the long term growth objectives of the business which will, inter-alia, include meeting the Company's growth plans, debt repayments, other contingencies, etc.

### **8. Disclosure:**

This Policy will be available on the Company's website and in the Annual Report of the Company.

### **9. Authority to make alterations:**

The Board of Directors of the Company may review and amend this policy from time to time.