TARA CHAND INFRALOGISTIC SOLUTIONS LIMITED

DIVIDEND DISTRIBUTION POLICY

PREAMBLE:

The shares of Tara Chand InfraLogistic Solutions Ltd (Formerly known as Tara Chand Logistic Solutions Ltd) (the "Company") are listed on National Stock Exchange of India Limited, Mumbai. The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ("the policy") and will be effective from 29th March, 2023.

OBJECTIVE

The Company aims at maximization of shareholders' value and believes that this can be attained by driving growth. This policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the policy is to lay down a consistent approach to dividend declaration.

PARAMETERS FOR DIVIDEND DISTRIBUTION

The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value Rs.10 each.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

Subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and after considering optimal shareholder return.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

- Internal Factors:

  i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
     a. Previous years and
     b. Internal budgets,
  ii. Cash flow position of the Company,
  iii. Accumulated reserves
  iv. Earnings stability
  v. Future cash requirements for organic growth/expansion and/or for inorganic growth,
  vi. Brand acquisitions,
  vii. Current and future leverage and, under exceptional circumstances, the amountof contingent liabilities,
  viii. Deployment of funds in short term marketable investments,
  ix. Long term investments,
  x. Capital expenditure(s), and
  xi. The ratio of debt to equity (at net debt and gross debt level).

- External Factors:

  i. Business cycles,
  ii. Economic environment,
  iii. Cost of external financing,
  iv. Applicable taxes including tax on dividend,
  v. Industry outlook for the future years,
  vi. Inflation rate, and
  vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

The profits for a year may be adjusted at the discretion of the Board, for the purpose, to exclude exceptional or one off items or non-cash items resulting from change in law, accounting policies, accounting standards or otherwise.

Target Dividend

The Company aims to make an annual dividend payout (including dividend distribution tax/ dividend on preference shares, if any) up to 20% of the Profit after Tax (PAT) of the company, subject to the applicable rules and regulations and as permitted under the extant legal provisions.

In case of deviation if any in a particular year due to inadequacy or absence of profits/reserves or otherwise, the reasons and justification thereof shall be disclosed to the shareholders through Annual Report of the Company.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

i. Capital expenditure
ii. Working capital,
iii. Organic and/ or inorganic growth,
iv. Investment in new business(es) and/or additional investment in existing business(es),
v. Declaration of dividend,
vi. Capitalisation of shares,
vii. Buy back of shares,
viii. General corporate purposes, including contingencies,
ix. Correcting the capital structure,
x. Any other permitted usage as per the Companies Act,2013.

- In the event of the policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

- The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the policy as it may deem fit or in accordance with the guidelines as may be issued by SEBI, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing Annual Report in accordance with the extant regulatory provisions.

The policy will also be disclosed in the Company's annual report.