

ORCHID SECURITIES LTD
CIN: L18209WB1994PLC062173
Registered Office: 36 A BENTINCK STREET KOLKATA WB 700069 IN
Corporate Office: C-222, GIDC, Makarpura Industrial Estate Vadodara 390010 GJ IN
Email: orchidsecurities_ltd@yahoo.co.in/ Website : <http://orchidsecuritiesltd.com/>

Dividend Distribution Policy

1. PREAMBLE

The Board of Directors (the "Board") of **Orchid Securities Limited** (the "Company") has adopted the following policy and procedures ("Policy") with regard to Distribution of Dividend.

The Policy is in conformance with the requirements of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (SEBI LODR Regulations). The Company is required to disclose the Policy on distribution of dividend, each year in its annual report as well as in its website.

2. OBJECTIVES OF THE POLICY

The Policy lay down a broad framework with regard to decision taking for distribution of dividend to its shareholders and/ or retaining or ploughing back of profits, in the interest of providing transparency to the shareholders. The Policy intent to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company.

The intent of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend, etc. The policy has been framed broadly in line with the provisions of the Companies Act and also taking into consideration, guidelines issued by SEBI, to the extent applicable.

3. FACTORS CONSIDERED WHILE DECLARING DIVIDEND

The Board of the Company shall take a decision to declare dividend after taking into account the following factors:

External Factors

- Economic Environment
- Statutory Provisions and Guidelines
- Taxation and other regulatory concern
- Cost of borrowings

Internal Factors

- Cash Flow
- Future Capital Expenditure Plan
- Profits of the Company

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4. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND:

The decision of dividend payout is very crucial as it has to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits for future growth. The Company shall declare a dividend for any financial year whenever there is net profit after tax for the year after taking into account the adjustments for previous years, write back of expenses, providing for depreciation etc.

The Company will be restrained to declare dividend when there are insufficient profits or nonavailability of sufficient capital to meet the minimum capital requirements prescribed by RBI or any of the external or internal factors.

5. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Company has issued only one class of shares i.e equity shares. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

6. PROCEDURE FOR DIVIDEND PAYOUT

The following procedure shall be followed in the declaration and payment of dividends, and is subject to provisions of provisions of Companies Act, 2013, Companies (Declaration and Payment of Dividend) Rules, 2014, SEBI (LODR) Regulations, 2016, guidelines.

Final Dividend:

1. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
2. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period.

Interim Dividend:

1. Interim dividend(s), if any, shall be declared by the Board after considering the financial position of the Company that allows the payment of such dividend.
2. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/ book closure.
3. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

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7. DISTRIBUTION OF DIVIDEND

The dividend (Interim and Final) shall be distributed to shareholders as per the provisions of Companies Act, 2013, Companies (Declaration and Payment of Dividend) Rules, 2014, SEBI (LODR) Regulations, 2016. The unpaid and unclaimed dividend shall be transferred to Investor Education and Protection Fund after 7 years of it becoming unpaid as provided under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

For and behalf of the Board
Orchid Securities Limited
SD/-
YATIN SANJAY GUPTA
Director
DIN: [07261150](#)