



**MUFIN GREEN FINANCE LIMITED**

*Formerly known as APM Finvest Ltd.*

## **DIVIDEND DISTRIBUTION POLICY**

<b>Policy Version :</b> V.1	<b>Date of Issue:</b> November 14, 2024
<b>Authorized by:</b> Board of Directors	<b>Adopted by:</b> Board Resolution dated November 14, 2024

CIN : L65990RJ2016PLC054921



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**Corporate office :** 202, 2nd Floor, Best Sky Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

**Registered Office :** SP-147, RIICO Industrial Area, Bhiwadi, Distt. Alwar, Rajasthan-301019



## **OBJECTIVE:**

The objective of the Dividend Distribution Policy of the Mufin Green Finance Limited (“the Company”) is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company and to ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

All term(s) and, or expression(s) not defined in this policy shall have the same meaning as defined in the applicable provisions of the Companies Act, 2013 (“the Act”), SEBI (LODR) Regulations 2015 the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and other applicable laws and, or regulation.

## **BACKGROUND AND APPLICABILITY**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, require the top 1000 listed companies (by market capitalization as on March 31 of every financial year) to disclose a Dividend Distribution Policy on their corporate website and provide a web-link of the same in their annual reports.

The Board of Directors of Mufin Green Finance Limited voluntarily has adopted this Dividend Distribution Policy to comply with these requirements.

The Policy shall apply to the ordinary equity shares issued and outstanding and shall not apply to determination and declaration of dividend on preference shares or any other class of shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders.

## **DEFINITIONS**

“Applicable Laws” shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

“Board” shall mean Board of Directors of the Company.

“Companies Act or Act” shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

“Company” shall mean Mufin Green Finance Limited.

“Dividend” includes any interim dividend.

“Policy” means this Dividend Distribution Policy.

“Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and

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Exchange Board of India, as amended, from time to time.

### **FINANCIAL PARAMETERS AND 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
- Track record of Dividends distributed by the Company
- Payout ratios of comparable companies
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Statutory provisions and guidelines
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

### **CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:**

The Dividend for any financial year shall normally be paid out of the Company profits for that year, as calculated in line with the applicable laws. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) subject to compliance of applicable laws.

The shareholders of the Company may not expect Dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- In case of significant higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- In the event of inadequacy of profits or whenever the Company has incurred losses.
- For any other reason as the Board may deem fit from time to time.

### **UTILIZATION OF RETAINED EARNINGS**

Retained Earnings may be used for corporate actions in accordance with applicable law and for investments towards growth of the business.

### **PROCEDURE**

Final dividend is declared at the Annual General Meeting (AGM) of the shareholders on the basis of recommendations of the Board. The Board may, at its discretion, also declare an interim dividend.

### **PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASS OF SHARES**

Since the Company has issued only one class of equity shares with equal voting rights, all

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the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably reviewed / amended at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

### **DISCLOSURES**

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company

### **OTHER FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND**

The Board of Directors shall, while considering the proposals for dividend, take into account the following aspects:

- (a) Supervisory findings of the Reserve Bank on divergence in classification and provisioning for Non-Performing Assets (NPAs).
- (b) Qualifications in the Auditors' Report to the financial statements; and
- (c) Long term growth plans of the NBFC.

The Board shall ensure compliance with the provisions of Circular No# RBI/2021-22/59 DOR.ACC.REC.No.23/21.02.067/2021-22 dated June 24, 2021 including minimum prudential requirements, quantum of dividend payable, and reporting requirements while declaring dividends.

### **MODIFICATION OF THIS 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 Companies Act, the Regulations, etc.

### **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.

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