TAAL TECH LIMITED

DIVIDEND DISTRIBUTION POLICY

1. Background

This Dividend Distribution Policy ("Policy") has been formulated pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and shall be applicable to TAAL Tech Limited ("Company").

2. Objective

The Policy provides broad guidelines for declaration and distribution of dividends while balancing shareholder returns and the long-term growth, liquidity and capital requirements of the Company.

3. General Principles

The Company's dividend payout shall be determined on the basis of its financial performance, available cash flows, investment requirements and other relevant factors, in accordance with the Companies Act, 2013 and other applicable laws. The Board may decide not to declare or recommend dividend for a particular period if it considers it prudent to conserve capital for business expansion or any other strategic purpose.

4. Factors for Declaration of Dividend

While considering declaration or recommendation of dividend, the Board may consider, among other things:

- profitability and cash flows;
- working capital and
- capital expenditure requirements;
- future growth plans,
- acquisitions and strategic investments;
- debt obligations and liquidity;
- applicable legal and regulatory requirements;
- And the prevailing economic and business environment.

5. Utilisation of Retained Earnings

Retained earnings may be utilised for business expansion, capital expenditure, acquisitions, strategic investments, repayment of borrowings, working capital requirements and such other purposes as approved by the Board.

6. Dividend Payout

Subject to applicable law and the factors set out in this Policy, the Company shall endeavour to maintain a minimum dividend payout ratio of 30% of the Profit after Tax of the Annual Audited Standalone Financial Statements. The Board may however recommend a higher or lower payout after considering the financial position and future requirements of the Company.

7. Classes of Shares

This Policy shall apply to all classes of shares of the Company. At present, the Company has only one class of equity shares.

8. Disclosure

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

9. Interpretation and Amendment

In the event of any inconsistency between this Policy and applicable law, the applicable law shall prevail. The Board may amend, modify or replace this Policy from time to time.

10. Disclaimer

Nothing contained in this Policy shall be construed as creating any right in favour of any shareholder to claim dividend. Declaration and payment of dividend shall remain at the discretion of the Board and the shareholders, as applicable, subject to the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws.