

DIVIDEND DISTRIBUTION POLICY

Introduction:

Aether Industries Limited (referred to as 'Company') is mainly engaged in business of manufacturing basic cum specialty chemicals along with research and development activities.

Company values integrity, commitment, standards and ethics and also believes that such principles and standards govern the behavior of the Company and its' employees. High moral and ethics are always essential for long term achievements and vision of the Company.

Preamble:

Company strongly believes into long run relation with the shareholders for value creation. The Company recognizes the requirement to give a profit portion by way of appropriate rate of dividend.

This Policy is formulated with the intention to maintain the balance between the profit to be retained in the Company and the amount to be distributed among the shareholders through dividend. The Policy stipulates the criteria while determining the rationales for recommendation of the dividend as well as retaining the profit in the Company.

Statutory requirement:

This Policy shall observe and comply with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Policy is approved by the Board and reserves the right to amend from time to time as and when required.

Dividend:

The Company can declare the dividend at the Annual General Meeting with the approval of the shareholders upon recommendation of the Board, taking into consideration the operating and financial performance of the Company.

The Board may also declare the interim dividend.

Factors:

The Board after considering the following internal (Company's financial and operative parameters) and external factors, may recommend the dividend:

Internal Factors:

- Capex requirements
- Working Capital requirements
- Net Operating Profit after Tax
- Cash requirements
- Fund requirements for the outstanding debts
- Cash contingencies, if any
- Dividend trends

External Factors:

- Economic environment
- Business cycle
- Government Policies
- Rate of dividend in the same industry
- Any material changes which may have significant impact on the Company
- Any other criteria / factor which may impact herein

Circumstances under which dividend may not be paid:

The Board may in extraordinary circumstances like adverse market conditions, business uncertainty, inadequacy of profits etc., deviate from the policy parameters and may prune or not recommend dividend.

Utilisation of Retained Earnings:

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of dividend, after having due regard to the Parameters laid down in this Policy.

Different Class of Shareholders:

Currently the Company has only Equity Shareholders. The factors and condition of dividend shall be as per the Policy and in-line with the rights attached to such class of share-holders.

Review and Amendments:

The Board shall have the power to review and amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy as and when they feel required.