

ALLICON CASTALLOY LTD.

DIVIDEND DISTRIBUTION POLICY

1. Background and applicability:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) require the top 1000 listed companies (by market capitalisation) to disclose a Dividend Distribution Policy in the annual report and on the corporate website. The Board of Directors (“Board”) of Aicon Castalloy Limited (“Company”) has adopted this Dividend Distribution Policy to comply with these requirements. The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

2. Dividend distribution philosophy:

The Company is committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

3. Dividend :

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend. The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation

in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

4. Circumstances under which shareholders can expect Dividend :

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy), and consequently declare the Dividend for any financial year.

5. Interim and Final Dividend :

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting.

The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by applicable Regulations.

6. Financial parameters and other 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;
- Capital expenditure requirements considering expansion and acquisition opportunities;

- Cost and availability of alternative sources of financing;
- Stipulations/Covenants of loan agreements;
- Macroeconomic and business conditions in general;
- Providing for unforeseen events and contingency with financial implications;
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

7. Retained Earnings :

Retained earnings would be used to further the company's business priorities. If there are excess reserves beyond the medium to long term business requirements, the retained earnings would be distributed to shareholders via Dividends or other means as permitted by applicable Regulations.

8. REVIEW & AMENDMENT:

This Policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/ amend the policy as may be expedient considering the law for the time being in force. The policy is reviewed/amended on 13th August, 2026.