ROYAL CHAIN LIMITED
(FORMERLY KNOWN AS ROYAL CHAIN PRIVATE LIMITED & ROYAL CHAINS PRIVATE LIMITED)
GST : 27AAGCR6146R1ZL CIN : U74120MH2013PLC247888
Registered Office : 1st Floor, 127/129, Office No. 101/102,Royal House, Shaikh Memon Street,
Zaveri Bazaar, Kalbadevi,Mumbai - 400002. Maharashtra.

POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

FACTORY ADDRESS : A-606/2, Trans Thane Creek Industrial Area, Shil Phata Mahape Road, Mahape Village,
Navi Mumbai, Thane, Maharashtra - 400710.
+91 22 2311 9999 +91 22 6996 3333 info@royalchains.com www.royalchaingroup.com

I. CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the applicable laws, the provisions of the applicable laws shall prevail.

J. POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Board may, from time to time, make amendment(s) to this Policy to the extent required due to change in applicable laws and/or regulations or as deemed fit on a review.

The Board may periodically review this Policy after taking into account the national and global economic conditions, company's growth and expansion plans, financial position, etc. and suitably amend this, Policy.

Effective Date:
Date of the approval by the Board: 8th September, 2026

Sd/-
Chairman Signature

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retained earnings of the Company shall be based on the following factors:

1) Market expansion plans
2) Product expansion plans
3) Increase in production capacity
4) Technological advancement and modernization plans
5) Diversification of business
6) Long term strategic plans
7) Replacement of capital assets
8) Where the cost of debt is expensive
9) Such other criteria as the Board may deem fit from time to time.

D. Manner of the Dividend payout

1) In case of Final Dividend:

   (i) 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 shareholder of the Company.
   (ii) The Dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
   (iii) The payment of dividend shall be made within the time prescribed under the Companies Act. Presently, dividend is to be paid within 30 days from the declaration by the shareholders in the annual general meeting of the Company in case of final dividend.

2) In case of Interim Dividend:

   (i) Interim Dividend, if any, shall be declared by the Board.
   (ii) Before declaring interim Dividend, the Board shall consider the financial position of the Company that allows the payment of such Dividend.
   (iii) The payment of dividend shall be made within the time prescribed under the Companies Act. Presently, dividend is to be paid within 30 days from the date of declaration by the Board in case of interim dividend.

E. Parameters to be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of the Dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

F. Rate/Quantum of Dividend

It has always been the Company's endeavor to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business, to the shareholders, in the form of dividend. The Company shall maintain a dividend pay-out as may be determined by the Board from time to time, considering the general business factors and other significant parameters specified in this Policy.

H. DISCLOSURES

The Dividend Distribution Policy shall be disclosed on the website of the Company and a web-link shall also be provided in its annual report. Further, if the Company proposes to declare dividend on the basis of parameters in addition to the ones listed in this Policy or proposes to change such additional parameters or the Policy, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

(v) Working capital requirements;
(vi) Capital expenditure requirement such as for business expansion, technological advancement, corporate restructuring including investments in subsidiaries, joint ventures and associates of the Company;
(vii) Likelihood of crystallization of contingent liabilities, if any;
(viii) Up gradation of physical infrastructure;
(ix) Fund requirement for contingencies and unforeseen events with financial implications;
(x) Cost of Borrowing;
(xi) Past Dividend payout ratio / trends;
(xii) Profit earned under consolidated financial statements;
(xiii) Long term investments proposed, capital restructuring, debt reduction, etc.;
(xiv) Other corporate action options available to the Company (including bonus issue, buy-back of shares, etc.);
(xv) Any other factor as may be deemed fit by the Board.

3) External Factors:

(i) Economic and market conditions;
(ii) Government policies and taxation framework;
(iii) Global business environment;
(iv) Industry outlook; and
(v) Financing Costs.
(vi) Regulatory changes, including introduction of new regulatory requirements or material changes in existing taxation or regulatory regime;
(vii) Technological changes necessitating new investments;
(viii) Any other relevant factors and material events, including statutory and contractual restrictions.

B. Circumstances under which the shareholders of the company may or may not expect the Dividend

The decision regarding the Dividend pay-out is crucial as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The Company ought to balance its decision to pay-out the Dividend after considering meeting of the dual objectives of appropriately rewarding shareholders through the Dividends while at the same time ensuring instant availability of internal sources of funding for achieving business goals of the Company.

The Board may not recommend the Dividend and the shareholders of the Company may not expect the Dividend in the following circumstances, subject to discretion of the Board:

1) Proposed expansion plans requiring higher capital allocation
2) Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow
3) Requirement of higher working capital for the purpose of business of the Company
4) Proposal for buy-back of securities
5) Inadequacy of profits earned during the financial year
6) Inadequacy of cash balance
7) Adverse market conditions and business uncertainty
8) Prohibition by any regulatory body from recommending or declaring dividend

C. Utilization of the retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the

Words and expressions used and not defined in this Policy but defined in the Companies Act, Listing Regulations or other applicable Laws shall have the same meaning respectively assigned to them in those applicable laws.

E. DIVIDEND:

(i) The Dividend represents the portion of profit of the Company that is distributed among its shareholders in proportion to the amount paid-up on the shares held by them. The Dividend may be declared as Interim Dividend or Final Dividend, as may be decided by the Board of Directors in accordance with applicable laws and regulations.

(ii) The term 'Dividend', as defined under Section 2(35) of the Companies Act, 2013, includes any interim dividend. It is an inclusive definition, implying that dividend encompasses all forms of profit distribution by the Company to its shareholders.

F. LAWS AND REGULATIONS

The declaration and payment of Dividend is governed by-

1) Chapter - VIII of the Act, from section 123 to 127 which deals with Declaration and payment of the Dividend
2) The Companies (Declaration and Payment of Dividend) Rules, 2014
3) Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001
4) Listing Regulations
5) Section 27 of Securities Contract Regulation Act, 1956
6) Income Tax Act, 1961
7) SEBI Guidelines/Circulars etc. as amended from time to time and to the extent applicable.

The Company will adhere to the provisions of applicable Laws as amended from time to time and to the extent applicable.

G. POLICY:

A. Parameters and factors for declaration of the Dividend

The Board shall *inter alia* consider the following parameters before declaring or recommending the Dividend to the shareholders:

1) Statutory and Regulatory Parameters

The Company shall ensure full compliance with all applicable statutory requirements and regulatory provisions, including but not limited to the Companies Act, 2013, the Listing Regulations, applicable SEBI guidelines, and any other laws, circulars, or notifications as may be prescribed from time to time.

2) Financial parameters and Internal Factors:

While before declaring or recommending the dividend or determining the quantum of dividend, the Board shall, among other things, consider the following financial and internal aspects:

(i) Financial performance including profits earned by the Company (standalone) during the financial year;
(ii) Available distributable reserves;
(iii) Cash balance and operating cash flows of the Company;
(iv) Earnings Per Share (EPS);

DIVIDEND DISTRIBUTION POLICY

[Accordance with good corporate governance practices and in alignment with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

A. PREAMBLE:

The Board of Directors ("**the Board**") of Royal Chain Limited ("**the Company**") is committed to creating long-term value for all stakeholders and believes in rewarding them through sustainable and consistent returns.

This Dividend Distribution Policy sets out the guiding principles to be followed by the Company in the matter of declaration and distribution of dividends, in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

B. SCOPE, PURPOSE AND EFFECTIVE DATE

(1) This Policy specifies the internal and external factors, financial parameters, and guiding principles that the Board shall consider while declaring dividends, and outlines circumstances where shareholders may or may not expect dividend distribution, as well as the utilization of retained earnings.
(2) This Policy is framed in accordance with the provisions of the Listing Regulations and other applicable laws.
(3) The Board approved and adopted this Dividend Distribution Policy at its meeting held on 8th September, 2026, which shall be the effective date of the Policy.

C. APPLICABILITY:

1. 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. The Policy shall not apply to:

   a) determination and declaration of the Dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the stakeholders; and
   b) Issue of Bonus Shares by the Company.

D. DEFINITIONS:

In this Policy, words and expressions shall have the meaning assigned to them below:

a. "***Board***" shall mean Board of Directors of the Company.
b. "***Act***" or "***Companies Act***" shall mean the Companies Act, 2013 and rules framed thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended from time to time.
c. "***Dividend***" includes any interim dividend and final dividend.
d. "***Policy***" means this Dividend Distribution Policy of the Company.
e. "***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, together with the circulars issued thereunder, as amended from time to time, and such other act, rules or regulations which deal with the distribution of dividends.
f. "***Financial Year***" means the period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

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