

Annexure I

DIVIDEND DISTRIBUTION POLICY

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Clause 43A of SEBI Listing Obligations & Disclosure Requirements, 2015 mandates that top 500 Companies (in terms of market capitalization) need to have a Dividend Distribution Policy in place.

The Board of Directors of the Company at its meeting held in October 2016 had adopted the policy of IIFL Group, IIFL Holdings Limited being then the holding company.

This is the updated policy for 360 ONE WAM LIMITED (Company) and its subsidiaries (360 ONE Group), the Company being a listed company and in top 500 list of companies.

This policy is to put into place the norms for the determination and declaration of dividend on equity capital by 360 ONE Group. While considering distribution and payment of dividend, the Company will ensure compliance with all the applicable provisions of the law including provisions of the Companies Act, SEBI, RBI, and Income Tax Rules and Regulations.

Policy on Total Dividend

While the declaration and rate of dividend will be subject to approval of Board and Shareholders, as the case may be, the general policy which will be followed for declaration of dividend will be as follows;

1. For 360 ONE WAM LIMITED, the total dividend payout for any financial year will generally be between 50 % and 75% (including applicable taxes on distribution of Dividend) of the consolidated profit after tax of the Company after Minority Interest.
2. At the Subsidiary level, the total dividend payout can be up to 100% of the respective consolidated /standalone profit after tax of the respective subsidiary.

The Board shall critically analyze various factors and parameters as detailed below, to decide on declaration of dividend in percentage range mentioned above or in variance to above.

Factors/ parameters that would be considered while declaring Dividend

I. The financial parameters that shall be considered while declaring dividend

While considering the total dividend at Holding Company and at each of the Subsidiaries the following will be taken into account:

- a) The business plan and actual performance, the capital requirements, free cash flow, debt equity ratio (considering new capital, ESOPs, retained earnings, minimum net worth requirements as per respective regulatory requirements etc.)
- b) Adequacy of profits including the accumulated balance in Profit & Loss account and
- c) Taxes on dividend.

The Board may consider a higher distribution with adequate justification or on special occasions.

II. The circumstances under which the shareholders:

i) May expect dividend:

- a) Surplus in Profit & loss (P&L) Statement
- b) Profits in any Financial Year are more than 10% of the equity capital of the Company.

ii) May not expect dividend:

- a. If there are losses as per P&L Statement (including accumulated balance in P&L account)
- b. Profit in the any Financial Year is less than 10% of the equity capital.
- c. If the total income from business/PAT from its ordinary activities in any Financial Year declines by more than 75% from the previous year.
- d. If the business is seriously affected and visibility is uncertain.

III. Internal and external factors that shall be considered for declaration of dividend:

- i. Internal Factors:
 - a. Projected investment in business/new business
 - b. Projected investments in Subsidiaries/Associates in the year and next year.
 - c. Networth/Capital adequacy as required under respective Regulatory requirements.

- ii. External Factors: -
 - i) State of Economy/Industry/business
 - ii) Statutory Taxes/levies – Changes in income tax rates, DDT etc.

- IV. The retained earnings shall be utilized for:
 - i) Proposed Capital expenditure
 - ii) Investments/acquisitions
 - iii) General corporate purposes including contingencies
 - iv) Capital restructuring

- V. Parameters that shall be adopted with regard to various classes of shares:

The Company has only one class of equity shareholders at present.

Periodicity of distribution

On a yearly basis, the Holding and Subsidiary Companies may distribute dividend by way of Interim Dividend/s in one or more tranches and may also declare final dividend by considering the full year's accounts, after taking approval of shareholders;

Disclosures

- a. This policy will be made available on the Company's website.
- b. The policy will also be disclosed in the Company's annual report.

Amendments to the Policy

The Board shall review and amend this Policy as and when required. Any subsequent amendment/modification in the regulation and/or other applicable laws in this regard shall automatically apply to this policy.