CREDITACCESS GRAMEEN LIMITED

DIVIDEND DISTRIBUTION POLICY

Revision History

Version	Author	Description of Changes	Release Date
1.	Company Secretary	First version	May 08, 2019
2.	Company Secretary	Re-adoption	April 21, 2025
3.	Company Secretary & Compliance Officer (CS &CO)	• Holistic review of the policy to align with the applicable provisions of RBI (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 and SEBI LODR Regulations, 2015 • Modified the following sections for regulatory alignment, comprehensive coverage and better clarity: Section 3: Eligibility criteria for declaration of dividend Section 4: The circumstances under which the shareholders may or may not expect Dividend Section 11 – Review & Section 12 – Limitation/Amendment merged for clarity. • Addition of Section 10: Disclosure & Reporting	July 24, 2026

Version Control

Version	Author	Reviewed By	Approved By
1.	Company Secretary	MD & CEO	Board of Directors
2.	Company Secretary	Managing Director	Board of Directors
3.	CS & CO	MD & CEO	Board of Directors

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DIVIDEND DISTRIBUTION POLICY

This policy applies to the distribution of dividend by CreditAccess Grameen Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations) and Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 dated November 28, 2025 ("RBI Master Direction").

1. Definitions

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, the SEBI Regulations and the RBI Master Direction.

2. Background

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations), the top one thousand listed entities based on market capitalization should formulate a dividend distribution policy which should be disclosed in their annual reports and on their websites.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. However, under extraordinary circumstances, the Board of Directors may deviate from the parameters listed in this policy.

3. Eligibility criteria for declaration of dividend

The Company should comply with the following requirements to be eligible to declare dividend:

i. The Company should have met the applicable regulatory capital requirement as per RBI Master Direction for each of the last three financial years including the financial year for which the dividend is proposed.
ii. The NNPA ratio should be less than six per cent in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared.
iii. The Company to comply with the provisions of Section 45 IC of the Reserve Bank of India Act, 1934.
iv. The Company should be compliant with the prevailing regulations/ guidelines issued by the Reserve Bank. The Reserve Bank should not have placed any explicit restrictions on declaration of dividend.
v. The proposed dividend should be payable out of the current year's profit.
vi. The Company should not pay any dividend on its shares until all its capitalised expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off.
vii. The Company shall transfer 20% of Profit after tax to reserve fund before dividend is declared as per Section 45-IC of the RBI Act, 1934.
viii. The Board to consider any qualification(s) or adverse remarks in the statutory auditors' report on the financial statements for the relevant year, and any supervisory findings of the

Reserve Bank of India regarding divergence in the Company's classification or provisioning of non-performing assets.

4. The circumstances under which the shareholders may or may not expect Dividend:

The Board may decide not to recommend dividend to the shareholders under the following circumstances viz., a. restriction under any law in force or restrictions placed by the Reserve Bank of India, b. Any of the financial parameters or internal/external factors referred in para 3 above restraining the company from considering declaration of dividend. c. Expectation of growth opportunity in the existing business and capital is required to be reserved for meeting the growth. d. In the event of an opportunity for acquisition and/or strategic investment in existing lines of business or new business where company may be required to allocate capital and any other circumstance in which the Board does not deem it expedient to recommend any dividend.

Further, the Company shall ensure that no dividend is declared in any circumstances where such declaration is not permitted under the Companies Act, 2013, applicable SEBI regulations, RBI regulations, or any other applicable law.

5. The financial /internal parameters that shall be considered while declaring dividend;

The amounts paid as dividends in the past will not be necessarily indicative of the dividend amounts, if any, that may be payable in future. The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

i. Capital allocation plans including:
   a. Expected cash requirements of the Company towards working capital (normal disbursements and repayment obligations), capital expenditure in technology and Infrastructure etc.;
   b. Investments required towards execution of the Company's strategy;
   c. Funds required for any acquisitions that the Board of Directors may approve; and
   d. Any share buy-back plans.

ii. Minimum cash required for contingencies or unforeseen events;
iii. Funds required to service any outstanding loans;
iv. Future expansion plans;
v. Adequate cash utilization opportunities.
vi. Any other significant developments that require cash investments.

The Company may also consider other factors such as leveraging own funds, before declaring the dividend.

6. External factors that shall be considered for declaration of dividend;

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

i. Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
ii. Any political, tax and regulatory changes in the geographies in which the Company operates;
iii. Any changes in the competitive environment requiring significant investment.

7. Quantum of dividend payable

i. The dividend pay-out ratio shall not exceed the ceiling specified under RBI Master Direction.

ii. In case the profit for the relevant period includes any extra-ordinary profits/ income, the pay-out ratio shall be computed after excluding such extra-ordinary items for reckoning compliance with the pay-out ratio mentioned above.

iii. The financial statements pertaining to the financial year for which the Company is declaring a dividend should be free of any qualifications by the statutory auditors, which have an adverse bearing on the profit during that year. In case of any qualification to that effect, the net profit should be suitably adjusted while computing the dividend pay-out ratio.

8. Utilization of retained earnings

The consolidated profits earned by the Company may either be retained in the business and utilized for the purposes set out in Section 6 (External Factors to be Considered for Declaration of Dividend) above or be distributed to the shareholders as dividend.

9. Provisions with regard to various classes of shares

The provisions contained in this policy shall apply to all classes of Shares of the Company. At present, the Company has only one class of shares, namely equity shares and does not have any other class of shares.

10. Disclosures / Reporting

The Company shall report any dividend declared to RBI in the manner and format prescribed under the applicable RBI Master Direction. The details of the dividend declared, and the Dividend Distribution Policy shall be disclosed in the Annual Report by way of a web link, and shall be made available on the Company's website. Further, any amendment to the Dividend Distribution Policy or to its key parameters, together with the rationale for such amendment, shall also be disclosed in the Annual Report.

11. Policy Review and Update

This policy will be reviewed at least once in a year or as frequently as may be required to ensure its effectiveness. In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.