

Zydus Wellness Limited – Dividend Distribution Policy

The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Zydus Wellness Limited being one of the top five hundred listed companies as per the market capitalization as on the last day of the immediately preceding financial year, frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This policy will be disclosed in Company's Annual Report and will be posted on the website of the Company.

The Board of Directors of the Company has approved this policy, which endeavors for fairness, consistency and sustainability while distributing the profits to the shareholders. The policy shall ensure that it returns cash from the operations, which is in excess of its immediate and expected needs for various corporate purposes, back to the shareholders. The Board of Directors at the time of declaring interim dividend or recommending final dividend will consider amongst others, factors like, current year's profits, future outlook, operating cash flows, extraordinary income/expenses, position of total debt to equity ratio, capital expenditure plans, inorganic growth requirements and contingency requirements. The Company will strive to declare a steady stream of dividends to the shareholders, which is in their best long term interest.

The Board of Directors may consider declaring interim dividend based on the performance of the Company during the year and recommend final dividend based on the performance of the Company for the full year. The final dividend shall be paid after the approval of the shareholders in the Annual General Meeting. The amount retained will be utilized for long term growth objectives of the business.

The declaration and distribution of dividends, whether interim or final, will at all times be in accordance with the Companies Act, 2013 and SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, such other applicable provisions of law and the Articles of Association of the Company, as in force and as may be amended from time to time.

The Policy is issued with the consent of the Board of Directors and can be amended only with the authority of the Board of Directors.

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