AMRUT DREDGING AND SHIPPING LIMITED
Corporate Identity Number: U67120GJ1995PLC025194

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board of Directors and approved by our shareholders in the Annual General Meeting, at their discretion, subject to the provisions of the Articles of Association, the Companies Act and SEBI Listing Regulations, including the rules made thereunder and other relevant regulations, if any, each as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Act including the Rules made thereunder and other relevant regulations, if any. Our Company has no formal dividend policy as on the date of this Draft red Herring Prospectus**.**

Declaration of dividend, if any, will depend on a number of internal and external factors, including but not limited to annual operating plans, capital budgets, quarterly and annual results, investments including mergers and acquisitions, legislations impacting business, competition, strategic updates, financial decisions, funding arrangements, macro-economic environment, changes in accounting policies and applicable accounting standards, client related risks, statutory restriction, capital markets, inflation rate, tax implications, considering dividend pay-out ratios of Companies in the same industry and other factors considered by our Board of Directors. Our Company may not distribute dividend or may distribute a reduced quantum of dividend when there is absence or inadequacy of profits.

 In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.