



KABRA EXTRUSIONTECHNIK LIMITED

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DIVIDEND DISTRIBUTION POLICY

PREAMBLE:

The Dividend Distribution Policy ("the Policy") of Kabra Extrusiontechnik Ltd. ("the Company") has been adopted by the Board of Directors of the Company pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended. This Policy shall become effective from the date of its adoption by the Board.

OBJECTIVE:

The objective of this Policy is to establish / set out the parameters to be considered by the Board of Directors of the Company (hereinafter referred to as "the Board") in determining the distribution of surplus profits to its shareholders and / or retaining profits earned by the Company.

The Company has currently issued only equity shares and the Dividend distribution policy is specifically formed for this class of shares.

The Company has a track record of regular dividend payouts. Going forward, the Company aims to maintain sustainable dividends while balancing its internal fund requirements for both short term and long term capital needs.

CIRCUMSTANCES UNDER WHICH THE SHARE HOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

The Board shall declare or recommend dividends in compliance with applicable laws, including the provisions of the Companies Act, 2013 and the Listing Regulations. The Board will also consider advice from the Executive Management of the Company based on the parameters set out in this policy.

The Board may not declare or recommend dividend for a particular period in the following circumstances, subject to discretion of the board:

- In the event of loss or inadequacy of the profit
- In case of need to conserve capital for ongoing or planned business expansion, acquisitions or others requiring significant capital outflow.
- To comply with any statutory requirements or restrictions.
- To rescind a dividend once declared, before payment of the dividend in exceptional circumstances which are beyond its control as permitted under law.

FINANCIAL PARAMETERS THAT SHALL BE CONSIDERED WHILE DECLARATION / RECOMMENDATION OF DIVIDEND

The Board shall consider the following parameters, while deciding on the dividend payout or retention of profits during a particular year:

INTERNAL FACTORS:

- Profits earned during the respective financial year;
- Retained earnings and Distributable surplus available under law;
- Existing and expected underlying financial performance and profitability outlook
- Cash flow and liquidity position;
- Future requirement for Capital expenditure and investment plan, business expansion/modernization plans, any other strategic priorities;
- dividends declared during the preceding 3 years and consistency in pay-out ratio;
- Any other relevant factors and material events from time to time.

EXTERNAL FACTORS:

- Macro-economic environment;
- Market conditions and consumer trends;
- Changes in regulatory requirements or policies;
- Competition intensity, changes in business or technological environment;
- extraordinary circumstances;

The Board may declare interim dividend(s) at its discretion. The Board's recommendation to the shareholders on final dividend may include special dividend(s) as considered appropriate.

UTILIZATION OF THE RETAINED EARNING

The Board shall utilize retained earnings in such a manner so that it is beneficial to the overall interest of the Company and to its shareholders in the long run. The Board may decide to utilize retained earnings for growth, acquisition, expansion, diversification or any other purpose for generating higher returns to the shareholders.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz., Equity shares. Parameters for dividend payments in respect of any other class of shares will be determined, as and when the Company decides to issue other classes of shares.

MANNER OF DIVIDEND PAYOUT

The declaration and payment of Dividends on the equity shares of the Company will be as per the laws and regulations applicable to the Company and within the statutory period permitted by law. Dividend will be paid in the following manner :

- Through electronic transfer to the shareholders' registered bank accounts.
- By cheque or any other permissible mode, as applicable.

AMENDMENT

The Board of Directors of the Company may subject to applicable laws amend, suspend or rescind this Policy at any time. In the event of a conflict between this policy and the existing statutory regulations, the statutory regulations will prevail.

DISCLOSURE OF POLICY AND DISCLAIMER

The Dividend Distribution Policy of the Company shall be displayed in the Annual Report of the Company and placed on the Company's website.

The Policy shall not be construed as a solicitation for investments in the Company's securities and shall neither act as an assurance of guaranteed returns (in any form), on investments in the Company's securities.

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