



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 at its meeting held on May 21, 2021 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. In future the Company would endeavour to pay sustainable dividends, keeping in view the Company's Policy of meeting its short term and long term fund requirement from internal accruals.

Parameters for declaration / recommendation of dividend

The Board shall consider the following parameters, while taking decision of quantum of Dividend pay-out 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.

Notwithstanding the above, the Board reserves the right to:

- not declare dividend or decide any rate of dividend, for a particular year owing to any regulatory restrictions, capital conservation prudence, or other exigencies.
- rescind a dividend once declared, before payment of the dividend in exceptional circumstances which are beyond its control as permitted under law.

V. 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.

VI. 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.

VII. 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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