



Astral Poly Technik Limited

Dividend Distribution Policy

**(Approved by the Board of Directors of the Company on 17th November,
2016)**

Preamble:

- ❖ The Securities Exchange Board of India (“SEBI”) on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Regulations”), which requires the top 500 listed companies (by market capitalisation) to formulate and disclose a Dividend Distribution Policy in the annual report and on the corporate website.
- ❖ The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

Objective:

- ❖ The objective of this Policy is to reward its shareholders by sharing a portion of the profits ensuring the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. The Policy also lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.
- ❖ This policy sets out the aspiration to ensure a consistent dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans.

The circumstances under which the shareholders of the Company may or may not expect dividend

❖ The circumstances under which shareholders can expect Dividend:

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare or recommend Dividend in any financial year.

❖ The circumstances under which the shareholders may not expect Dividend:

Whenever the Board of Directors of the Company undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital or significantly higher working capital requirements adversely impacting free cash flow or in the event of inadequacy of profits or whenever the Company has incurred losses.

Key Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

❖ **Financial Parameters/ Internal factors**

- Performance of the Company and size of net profits earned by it during any financial year
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Cost and availability of alternative sources of financing

- Investment plans of the Company including Capital expenditure & R&D requirements.
- Resources required to fund acquisitions and / or new businesses.
- Stipulations/ Covenants of loan agreements, if any

❖ **External factors**

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws
- Macroeconomic environment

Manner of Utilization of Retained Earnings

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Modification of the Policy

- ❖ The Board shall have the power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy. The Board shall have the power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy.

Disclaimer

- ❖ This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.