

DIVIDEND DISTRIBUTION POLICY

Preamble

The Dividend Distribution Policy ("the Policy") of Plastiblends India 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 i.e. 20/05/2021.

Objective

The Company would ensure to strike the right balance between the quantum of dividend payout and amount of profits retained in the business, so as to ensure long term capital appreciation for all stakeholders of the Company.

The Policy sets out the parameters for consideration by the Board for deciding the matters pertaining to distribution of surplus to its shareholders and / or retaining the profits earned by the Company.

Considerations relevant for declaration / recommendation of dividend

Dividends shall be paid out of the Company's distributable profits and / or free reserves available under law. 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. The Company has currently issued only equity shares and the Dividend distribution policy is specifically formed for this class of shares.

The Board shall consider the following parameters, while taking decision of a Dividend payout or retention of profits during a particular year:

- **INTERNAL FACTORS:** profitability, operating and financial performance, cash flow and future growth and profitability outlook of the company, expected cash requirements including working capital, capital expenditure, and the provision of depreciation on such new assets, business expansion / modernization plans, any other strategic priorities, needs for capital conservation and appreciation, covenants in loan agreement, to have sufficient reserves to meet unforeseen circumstances; to augment long term financial strength; and to build a pool of internally generated funds to provide long-term resources as well as resource raising potential for the Company.

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- **EXTERNAL FACTORS:** prevailing economic and market conditions, significant changes in macro-economic environment affecting India or international market which may have a bearing on or affect the business of the Company, changes in political, tax and regulatory policies, business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model, competition intensity, and such other factors.

While recommending such dividend, the Board will also take into account dividends declared during the preceding 3 years.

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 which shall be stated by the Board.
- rescind a dividend once declared, before payment of the dividend in exceptional circumstances which beyond its control.

Manner of Dividend Payout

The declaration and payment of Dividends will be as per the laws and regulations applicable to the Company and within the statutory period permitted by law.

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.

Disclaimer

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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