

DIVIDEND DISTRIBUTION POLICY

INTRODUCTION

The Board of Directors (the “Board”) of Rollatainers Limited (the “Company”) understands the importance of shareholders’ confidence and trust in the Company. In order to preserve the same with transparency and to ensure that there is no conflict of interest or any apprehension in the minds of its shareholders, the Board of the Company, has adopted the Dividend Distribution Policy (“Policy”) and procedures with respect to Dividends declared/ recommended by the Company in accordance with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time.

PURPOSE

The purpose of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business. The Board will refer to the Policy while declaring/ recommending dividends on behalf of the Company.

DECLARATION AND PAYMENT OF DIVIDEND

In compliance with Section 51 of the Act, the Company shall pay dividend proportionately, i.e., in proportion to the amount paid-up on each share. Dividend for a financial year shall be paid after the annual financial statements of the Company are finalised and the amount of distributable profits is available. The declaration and payment of dividend shall be in accordance with the provisions of Sections 123 to 128 of the Act.

Pursuant to the provisions of Section 123 of the Act, the Board shall recommend dividend for any financial year subject to the following:

- (a) out of the profits of the Company for that year arrived after providing for depreciation; or
- (b) out of the profits of the Company for any previous financial year(s) arrived at after providing for depreciation and remaining undistributed; or
- (c) out of both (a) and (b).

PARAMETERS FOR DECLARATION OF DIVIDEND

The Board shall consider the following various circumstances like current year’s profit, future outlook, reinvestment opportunities of the Company, tax benefits, Company’s present and future performance for declaration and payment of dividend.

(I) FINANCIAL PARAMETERS

- (a) Availability of profits;
- (b) Financial feasibility of the Company;
- (c) Favourable Debt Equity ratio;
- (d) Debt interest coverage ratio;
- (e) Liquidity position;
- (f) Business expansions, acquisitions, etc.;
- (g) Favourable state of the capital markets;
- (h) Profit growth.

(II) EXTERNAL FACTORS

- (a) Shareholders' expectations;
- (b) Uncertain or recessionary economic and business conditions;
- (c) Restrictions imposed under the Act with regard to declaration of dividend;
- (d) Sectorial performance;
- (e) Future uncertainties and industrial downturn;
- (f) Government policy;
- (g) Clientele effect;
- (h) Risk effect.

(III) INTERNAL FACTORS

- (a) Growth rate of past earnings;
- (b) Growth rate of predicted profits;
- (c) Expansion and modernisation of existing business;
- (d) Investment in research and development;
- (e) Working capital requirements;
- (f) Mergers and Acquisitions;
- (g) Investments in subsidiaries/Joint ventures/associates;
- (h) Buyback options;
- (i) Approach adopted - residual, stability or hybrid.

(IV) UTILISATION OF RETAINED EARNINGS

The decision of utilisation of retained earnings of the Company shall be based on the following factors:

- (a) Acquisition/Diversification of business;
 - (b) Long term strategic plan;
 - (c) High cost of debt;
 - (d) Market or product development/expansion plan;
 - (e) Increase in production capacity;
 - (f) Modernisation Plan;
 - (g) Replacement of Capital intensive assets.
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PUBLICATION OF POLICY

This Policy, as approved by the Board, shall be disclosed in the Annual Report and on the website of the Company at www.rollatainers.in.

PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares i.e. equity shares with equal voting rights. All the members of the Company are entitled to receive the same amount of dividend per share.

REVIEW & AMENDMENT

This Policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force.

In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.\
