



MKC AGRO FRESH LIMITED

POLICY FOR DISTRIBUTION OF DIVIDEND

M K C AGRO FRESH LIMITED

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CIN: U15122DL2009PLC187481

For MKC AGRO FRESH LIMITED


Director

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

This Policy applies to the distribution of dividend by M K C Agro Fresh Limited (the “**Company**”) in accordance with the provisions of the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) as amended.

2. DEFINITIONS

The terms referred to in the Policy will have the same meaning as defined under the Act and the Rules made thereunder, and the Listing Regulations.

3. BACKGROUND

This Policy is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. A copy of the Policy is disclosed on the Company’s website.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company (**‘the Board’**) in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this Policy.

3. GUIDELINES FOR DISTRIBUTION OF DIVIDEND

a. The circumstances under which the shareholders may or may not expect dividend

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retaining its earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.

b. The financial /internal parameters that shall be considered while declaring dividend

The Board shall consider, amongst others, the following financial parameters while declaring dividend or recommending dividend to shareholders:

- profitable growth of our Company and specifically profits earned during the financial year;

- Capital allocation plans including:
 - Expected cash requirements of the Company towards working capital, capital expenditure in Content, technology and Infrastructure etc.;
 - Investments required towards execution of the Company's strategy;
 - Funds required for any acquisitions that the Board may approve; and
 - Any share buy-back plans.
- earning stability and outlook
- past dividend pattern
- cash flow position of our company capital expenditure to be incurred by our Company, accumulated reserves;
- statutory requirements like transfer to statutory reserve fund, liquidity position of the company including its working capital requirements and debt servicing obligations;
- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios;
- Any other significant developments that require cash investments, or, retention of fund.

c. External factors that shall be considered for declaration of dividend

The Board shall consider, amongst others, the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its customers;
- Any political, tax and regulatory changes, or, likely changes in India or any other geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment;
- industry specific rulings and regulatory provisions, industry outlook for the future years, and inflation rate.

d. Policy as to how the retained earnings shall be utilized

The consolidated profits earned by the Company can either be retained in the business and used for various purposes like those outlined in clause (b) above or the whole or a part of it can be distributed to the shareholders.

e. Provisions in regard to various classes of shares

For MKC AGRO FRESH LIMITED


Director

The provisions contained in this policy shall apply to all classes of shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity Shares.

The Board may declare interim dividend(s) as and when they consider it fit, and, in addition to such interim dividend, may recommend final dividend to the shareholders for their approval in the annual general meeting of the Company.

4. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules (cumulatively, 'the statutory provisions'), the said statutory provisions shall prevail over this Policy. Any subsequent amendment / modification in the Act, Listing Regulations, and/or applicable laws in this regard shall automatically apply to this Policy. This Policy will be reviewed and amended as and when required by the Board.

5. EFFECTIVE DATE

This Policy shall be effective from the date of approval by the Board, unless specified otherwise.

For MKC AGRO FRESH LIMITED


Director