



## TTK HEALTHCARE LIMITED

Regd. Office: No.6, Cathedral Road, Chennai 600 086  
CIN: L24231TN1958PLC003647 Website: www.ttkhealthcare.com

### **DIVIDEND DISTRIBUTION POLICY**

[Approved and adopted at the Board Meeting held on 27<sup>th</sup> May, 2021]

**(1) Preamble:**

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 notified on 5<sup>th</sup> May, 2021, the top 1000 listed entities shall mandatorily formulate the Dividend Distribution Policy which shall be disclosed in the website of the listed entity and a web link shall also be provided in their annual reports. Accordingly, this Policy Document has been approved by the Board of Directors at their meeting held on 27<sup>th</sup> May, 2021.

**(2) General Policy on Dividend Distribution – Quantum and Frequency:**

Subject to various parameters mentioned hereinafter, it is the intention of the Board to maintain a dividend pay-out ratio between 20% to 35% of the post-tax profits. Such dividend will be paid annually within 30 days of the Annual General Meeting declaring such dividend. However, the Board, at its discretion, may pay interim dividends or Special Dividends on any special occasion or increase or decrease the pay-out ratio based on the parameters mentioned hereinafter.

**(3) Parameters for determining the Quantum of Dividend Distribution:**

The following factors will guide the quantum of dividend to be distributed:

**(a) Internal Parameters:**

- ❖ Post-tax profits
- ❖ Free Cash flows after providing for the increase in working capital requirements or normal capital expenditure.
- ❖ Financial Leverage and Debt Retirement
- ❖ Growth and profit sustainability for the next 3 years.
- ❖ Quantum of cash to be preserved for exigencies, expansion & diversification including inorganic expansion through acquisitions, operation restructuring, etc.,
- ❖ Avenues for better utilisation of retained cash in the interest of all stakeholders
- ❖ Maintaining a stable dividend pay-out over the years
- ❖ Industrial unrest

**(b) External Parameters:**

- ❖ General economic scene both domestic and global
- ❖ Factors affecting the industry in which the company is engaged in
  - Market Competition
  - Shift in State Policies

**(4) Dealing with Retained Earnings:**

Earnings remained after payment of dividend will be utilised for the following purposes:

- ❖ Meeting increased working capital requirements in line with growth and market requirements
- ❖ Meeting investment requirements in accordance with the Long-Range Plan of the Company
- ❖ Maintaining a safety net to meet any exigencies or to take advantage of any business opportunities
- ❖ Deploying the free cash in treasury operation to earn a decent return without compromising the safety of the principal.

**(5) Circumstances under which Dividend may not be distributed:**

- ❖ Year of inadequate profits or cash losses.
- ❖ Cash requirement for any major acquisition opportunities or for a retirement of debt.
- ❖ State Policy

**(6) Policy for Different Classes of Shares:**

The Company, as of date, has only Equity shares with the same rights for all the shareholders. In the event the Company issues in the future any shares with preferential rights over equity shares, the same shall be adhered to in accordance with the terms of such issue.

**(7) Publication of the Policy:**

This policy will be displayed on the website of the Company <https://www.ttkhealthcare.com> and a web link will be provided in the Annual Reports of the Company as required by the Regulations that may be in force, from time to time.

**(8) Amendments:**

The Board at its discretion may vary this Policy, from time to time including the parameters and such changes will be updated on the website of the company and disclosed in the Annual Reports.

---