



## **Dividend Distribution Policy**

This policy applies to the distribution of dividend by Bajaj Healthcare Limited (the “Company”) in accordance with the provisions of the Companies Act, 2013 (“ Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).

### **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.

### **Background:**

SEBI has, through its notification dated May 05, 2021, released the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, substituting Regulation 43 A – The top Thousand [1000] listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports

The regulation further prescribed that, the dividend distribution policy shall include the following parameters:

- a. the circumstances under which the shareholders of the listed entities may or may not expect dividend;
- b. the financial parameters that shall be considered while declaring dividend;
- c. internal and external factors that shall be considered for declaration of dividend;
- d. policy as to how the retained earnings shall be utilized; and
- e. parameters that shall be adopted with regard to various classes of shares

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

**BAJAJ HEALTHCARE LIMITED**

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**CIN No. L99999MH1993PLC072892**

## **Objective**

The Company has always strived to enhance stakeholder value for its investors. The Company believes that returning cash or other way to shareholders is an important component of overall value creation.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy:

### **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 retained 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 of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

- Capital allocation plans including:
  - ✓ Expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.;
  - ✓ Investments required towards execution of the Company's strategy;
  - ✓ Funds required for any acquisitions that the Board of Directors may approve; and
  - ✓ Any share buy-back plans.
- 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.

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

The Board of Directors of the Company shall consider 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 clients;
- Any political, tax and regulatory changes in the 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.

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

The profits earned by the Company can either be retained in the business or used for various purposes as outlined in clause (b) above or it can be distributed to the shareholders.

**e. Provisions in regard to various classes of shares.**

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.

**Board Discretion:**

The Board may recommend special dividend as and when it deems fit.

**Review:**

This policy will be reviewed and amended as and when required by the Board.

**Disclosure of the policy:**

This policy will be uploaded on the website of the Company.

**Version 1: 13/08/2021**