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# **DIVIDEND DISTRIBUTION POLICY**

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Effective from: May 5, 2023  
Last Amended: February 5, 2025

**Artemis Medicare Services Limited**

Regd. Off.: Plot No. 14, Sector-20, Dwarka, South-West Delhi-110075

## **DIVIDEND DISTRIBUTION POLICY**

The Board of Directors (the “**Board**”) of Artemis Medicare Services Limited (the “**Company**”) has adopted the Dividend Distribution Policy (the “**Policy**”) of the Company as required in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”) at its meeting held on May 5, 2023.

### **1. EFFECTIVE DATE**

The Policy shall become effective from the date of its adoption by the Board *i.e.* May 5, 2023.

### **2. PURPOSE, OBJECTIVES AND SCOPE**

Regulation 43A of the SEBI Listing Regulations makes it mandatory to have a Dividend Distribution Policy in place by the top one thousand listed companies based on their market capitalization calculated as per Regulation 3(2) of the SEBI Listing Regulations. Considering the provisions of the aforesaid Regulation 43A, the Board of the Company recognizes the need to lay down a broad framework for considering decisions by the Board, with regard to distribution of dividend to its shareholders and/ or retaining its profits. The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for future growth of the Company. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, progressive dividend, which shall be consistent with the performance of the Company over the years.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element of the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in its Annual Report and on its website.

### **3. APPLICABLE LAWS**

The Company will adhere with the requirements of all the applicable provisions of Companies Act, 2013 (the “**Act**”) and Rules made thereunder, SEBI Listing Regulations, as amended from time to time and such other act, rules or regulations which provides for distribution of dividend.

### **4. DECLARATION AND PAYMENT OF DIVIDEND**

The declaration and payment of dividend shall be in accordance with the provisions of the SEBI Listing Regulations, Section 123 to 127 of the Act and any other provisions as may

be applicable. The Company shall declare 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).

The dividend shall be declared or paid by the Company out of its free reserves.

## **5. FINANCIAL PARAMETERS**

The Board shall consider the following parameters, while taking decisions for declaration or recommendation of dividend during a particular year:

- i. Balance sheet strength;
- ii. Retained earnings;
- iii. Overall economic scenario;
- iv. Near future cash flow needs of the Company; and
- v. Any other relevant factors and material events.

The Dividend, if recommended/declared, the payout may be upto 25% of Net Profit of the Company for the relevant year. However, in extraordinarily circumstances, the higher rate of dividend may be declared.

## **6. FACTORS FOR DECLARATION OF DIVIDEND**

The Board shall also consider the following internal, external and other factors before declaring or recommending the dividend to the shareholders:

### **6.1 Internal Factors**

- i. Growth projects before the Company;
- ii. Agreements with lending institutions;
- iii. Debt payments;
- iv. Expectations of stakeholders; and
- v. Any other prudential requirements.

### **6.2 External Factors**

- i. Prevailing statutory provisions under the Act, tax laws and other regulatory concerns;
- ii. Macroeconomic conditions/overall economic/ business scenario;
- iii. Capital market conditions;
- iv. Relevant industry practice; and
- v. Any other factor as deemed fit by the Board.

### **6.3 Other Factors**

Such other factors which are beyond the control of the Management like natural calamities, earthquake, pandemic etc. affecting operations of the Company and other factors as may be deemed appropriate by the Board.

## **7. MANNER OF UTILISATION OF RETAINED EARNINGS**

The Board may retain its earnings in order to make alternative use of the available funds and increase the value of the shareholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- i. Growth projects;
- ii. Modernization plan;
- iii. Diversification of business;
- iv. Long term strategic plans;
- v. Replacement of capital assets;
- vi. Anticipation of future capital being difficult to raise or being costly; and
- vii. Other such criteria as the Board may deem fit from time to time.

## **8. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND**

The Board shall consider the factors provided above before determination of any dividend after analyzing the prospective opportunities and threats, viability of the options of dividend distribution or retention etc. The decision of dividend may be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

Under the following circumstances, the dividend may not be expected by the shareholders:

- a) Whenever the Company proposes to utilize surplus cash for buyback of securities;
- b) In the event of loss or inadequacy of profits;
- c) Whenever the Company undertakes or proposes to undertake an expansion project requiring allocation of capital.

## **9. PARAMETERS WITH REGARDS TO VARIOUS CLASSES OF SHARE- HOLDERS**

At present the Company has only one class of shareholder *i.e.* equity shareholders. The Policy shall be reviewed and amended if the Company issues shares to any other class of shareholders.

## **10. MANNER OF DIVIDEND**

### **In case of final dividend**

- i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company;

- ii. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company;
- iii. The payment of dividend shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable law.

**In case of interim dividend**

- i. Interim dividend, if any, shall be declared by the Board;
- ii. Before declaring interim dividend, the Board shall consider the financial position of the Company whether it allows the payment of such dividend;
- iii. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws;
- iv. The dividend as declared by the Board shall be confirmed at the annual general meeting of the Company. In case no final dividend is declared, interim dividend will be regarded as final dividend in the annual general meeting.

**11. DISCLOSURE**

The Company shall make appropriate disclosures as per the SEBI Listing Regulations and/or other applicable laws.

The Company shall disclose this Policy on its website ([www.artemishospitals.com](http://www.artemishospitals.com)) and a web-link of the same shall also be provided in its Annual Report and shall also update the Policy on its website and in its Annual Report, as and when any changes are made in the Policy.

If the Company proposes to declare dividend on the basis of any additional parameters, it shall disclose such changes along with the rationale for the same on its website and in its Annual Report.

**12. CONFLICT OF POLICY**

In the event of Policy being inconsistent with any regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this Policy.

**13. REVIEW AND AMENDMENT**

The Board shall review this policy once in every 3 years to factor in the industry trend / Company needs.

The Board may, subject to the Applicable Laws, amend any provision(s) or substitute any of the provision(s) of this Policy with new provisions, or replace this Policy entirely with a new policy, if deemed necessary in the interests of the Company.

However, any subsequent amendment/ modification in the applicable laws shall automatically apply to this policy.

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