



TTK HEALTHCARE LIMITED

Regd. Office : No. 6, Cathedral Road, Chennai - 600 086.

Dear Shareholder(s),

Notice Pursuant to Section 192A(2) of the Companies Act, 1956

As per the provisions of Section 293(1)(a) of the Companies Act, 1956, sale, lease or otherwise disposal of the whole or substantially the whole of the Undertaking of the Company or where the Company owns more than one Undertaking, of the whole or substantially the whole, of any such Undertaking, requires the approval of the Shareholders by way of an Ordinary Resolution.

The Company proposes to hive off the Medical Devices/Disposables Manufacturing facility (Medical Devices Division) of the Company at Waluj, Aurangabad.

As per Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the consent of the Shareholders under Section 293(1)(a) of the Companies Act, 1956, is required to be obtained by means of voting by Postal Ballot. Accordingly, the proposed Ordinary Resolution alongwith the Explanatory Statement stating all material facts and the reasons for the proposal is appended herewith and a Postal Ballot Form is enclosed for your consideration. The Company has appointed **Mr R Balasubramanian, Practising Company Secretary, as Scrutinizer** for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instructions printed in the Postal Ballot Form and return the Form duly completed, in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer **on or before Monday, the 18th December, 2006.**

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by Postal Ballot will be announced by the Chairman or any one of the Directors of the Company, **at 11.00 a.m. on Saturday, the 23rd day of December 2006** at the Registered Office of the Company at **No.6, Cathedral Road, Chennai 600 086** and will also be displayed on the notice board on the said date. Shareholders, who wish to be present at the time of declaration of results, may do so at the above venue.

ORDINARY RESOLUTION:

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (the Board) to sell, lease or otherwise dispose of at such consideration and on such terms and conditions in the best interest of the Company and with effect from such date as the Board may think fit, the whole or substantially the whole of the Undertaking viz., Medical Devices Division which is engaged in the manufacturing and marketing of Medical Devices/Disposables at Waluj, Aurangabad".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution".

Place: Chennai
Date: 18th October 2006

Registered Office :
No.6, Cathedral Road,

By order of the Board

S. KALYANARAMAN
COMPANY SECRETARY

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Your Company's Medical Devices Division was engaged in the manufacturing and marketing of medical disposables / devices such as Sutures, Foley Catheters, Blood Lancets, Urine Drainage Bags etc., and is having its manufacturing facility at Waluj, Aurangabad.

The business was predominantly dependent on institutional orders. Due to intense competition, the price realizations have been continuously falling coupled with huge investments in working capital due to delay in payments from these institutions.

Further, due to lower volumes, the capacity utilization was low resulting in increase in the cost of production. As a result, the Division has been continuously incurring losses. In view of this, the Board of Directors have taken a decision to rationalize the operations of the Medical Devices Division so as to reduce the losses and this exercise stands completed.

Since your Directors do not see any prospects for this business, they have taken a decision to sell, lease or otherwise dispose of the whole or substantially the whole of the Undertaking (Medical Devices Division), engaged in the manufacturing and marketing of Medical Devices / Disposables at Waluj, Aurangabad.

This proposal requires the consent of the Shareholders under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, by means of voting by Postal Ballot, as per Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

The consideration and other terms and conditions will be negotiated and finalized by the Board of Directors in the best interest of the Company.

The Board recommends the Resolution for your approval.

None of the Directors is concerned or interested in the said Resolution except to the extent of shares held by them in the Company.

By order of the Board

**S. KALYANARAMAN
COMPANY SECRETARY**

Place: Chennai

Date: 18th October, 2006

Registered Office :

**No.6, Cathedral Road,
Chennai 600 086**

Note: Only a Member entitled to vote is entitled to fill in the postal ballot form and send it to the Scrutinizer, and that any recipient of the Notice who has no voting rights should treat the Notice as an intimation only.