

3M India Limited  
CIN: L31300KA1987PLC013543

Concorde Block, UB City  
24, Vittal Mallya Road,  
Bangalore – 560 001  
Phone: 080-30614366  
Fax: 080-2223 1450  
Website: [www.3m.com/in](http://www.3m.com/in)  
E-Mail: [vsrinivasan@mmm.com](mailto:vsrinivasan@mmm.com)  
February 9, 2017



The Corporate Relationship Department  
Bombay Stock Exchange Limited,  
1<sup>st</sup> Floor, New Trading Ring, Rotunda Building  
P.J. Towers, Dalal Street, Fort  
Mumbai - 400 001

Scrip Code - 523395

The Secretary  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra – Kurla Complex  
Bandra (E), Mumbai – 400 051

Scrip Code – 3MINDIA

Dear Sirs/ Madam,

**Sub: Corporate Announcement**

**Ref: Sch. III (Reg. 30), Part A-7 of SEBI (LODR) Regulations, 2015**

This is to inform you that at the meeting held on February 9, 2017, the Board:

1. Re-appointed Mr. B.V. Shankaranarayana Rao (DIN-00044840), Whole-time Director for a further period from April 1, 2017 to May 13, 2020, subject to the approval of the members at the Annual General Meeting. He is not related to any other Directors of the Company. A brief profile of Mr. B.V.Shankaranarayana Rao is enclosed below as Annexure-1.
2. Approved the Dividend Distribution Policy of the Company. The same is enclosed below as Annexure -2.

The Meeting commenced at 2.30 p.m. and concluded at 3.15 p.m.

Please bring the above to the notice of your members.

Thanking you,



Yours faithfully,  
For 3M India Limited,

(V. Srinivasan)  
Company Secretary

Regd. Office & Factory: Plot Nos. 48-51, Electronics City, Hosur Road, Bangalore – 560100

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Encl: as above

**ANNEXURE -1**

Mr. B.V. Shankaranarayana Rao, (DIN-00044840): Mr. B.V. Shankaranarayana Rao, 56, holds a Bachelor Degree in Commerce and a Master's Degree in Business Administration from Bengaluru University. He has been with the Company since 1990. He has over 30 years of experience in Finance and Corporate Management. He has held various positions during his tenure in 3M India Limited .He has also worked in 3M Asia Pacific, Singapore, prior to heading the Finance Department in 3M India Limited. He was appointed as a Whole-time Director of the Company from July 24, 2002. Mr. Shankar Rao heads the Business Services Group, Business Transformation and Information Technology.



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## **ANNEXURE -2**

### **3M INDIA LIMITED**

#### **DIVIDEND DISTRIBUTION POLICY**

##### **1. Preamble**

- 1.1. 3M India Limited (the **Company**) has formulated this Dividend Distribution Policy (this **Policy**) as required by regulation 43A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the **Listing Regulations**).
- 1.2. This Policy has been approved by the Board of Directors (**Board**) of the Company at its meeting held on **February 9, 2017**. This Policy may be reviewed by the Board from time to time. This Policy and all amendments thereto will be updated on the Company's website ([www.3m.com/in](http://www.3m.com/in)) and in the Company's Annual Report.

##### **2. Policy**

- 2.1. The Board shall consider appropriate financial and other parameters, as well as relevant internal and external factors, when determining the quantum, if any, of dividend to be paid out by the Company, which may include, but shall not be restricted to, all or some of the following as the Board in its discretion considers relevant:
  - (a) Revenues and net profits for the relevant financial year and future outlook;
  - (b) Possible current and future cash flow requirements;
  - (c) Liquidity needs including working capital requirements;
  - (d) Capital expenditure plans and requirements, including for expansion, modernization and upgradation of existing operations and infrastructure;
  - (e) Market expansion plans;
  - (f) Product expansion plans;
  - (g) Expenditure on research and development;
  - (h) Possible organic and inorganic growth opportunities, and other usage of cash;
  - (i) Leverage levels;
  - (j) Any restrictions and covenants in agreements with debenture-holders, lenders and others;
  - (k) Comparative tax efficiency of dividend distribution;
  - (l) Provisions for unforeseen events and contingencies;
  - (m) Strategic priorities and objectives;
  - (n) Macroeconomic conditions, local and international; and
  - (o) Any other methods of delivering value to shareholders.

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- 2.2. When deliberating on the recommendation of dividend, the Board will seek to balance the benefit to shareholders of the Company with the comparative advantages of retaining profits in the Company which would lead to greater value creation for all stakeholders.
- 2.3. In the event that the Board proposes to recommend dividend on the basis of parameters and factors in addition to those stated in clause 2.1 and 2.2 above, or to change any of the relevant parameters and factors, the changes along with the rationale for the same shall be disclosed in the Company's annual report and on the Company's website ([www.3m.com/in](http://www.3m.com/in)).
- 2.4. Recommendation and declaration of dividend, if any, would be in accordance with the Listing Regulations and the Companies Act, 2013 read with the rules issued thereunder.
- 2.5. The shareholders of the Company may expect dividend when the Board, on a consideration of such parameters and factors as it considers relevant, is of the view that it would be in the best interests of the Company and its shareholders as a whole to recommend dividend, and the shareholders approve such dividend at the Annual General Meeting. The Board may not recommend dividend where the future outlook, possible future cash flow requirements, growth opportunities, capital expenditure, macroeconomic conditions or other factors, including as mentioned in clause 2.1 above, in the opinion of the Board, do not warrant recommending any dividend.
- 2.6. The Board's recommendation of dividend would be in the discretion of the Board. Any declaration of dividend pursuant to the Board's recommendation would be subject to the approval of the shareholders at the Annual General Meeting as required by the Companies Act, 2013.
- 2.7. The Board intends that retained earnings, if any, of the Company shall be used in furtherance of the business objectives and operations of the Company.
- 2.8. The Company presently has only one class of shares, being equity shares of face value of INR 10 each.

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