

TTK Prestige LIMITED



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www.ttkprestige.com CIN : L85110TZ1955PLC015049

November 17, 2016

Bombay Stock Exchange

National Stock Exchange

Dear Sir,

Sub : Dividend Distribution Policy as per SEBI (Listing Obligations and Disclosure Requirements)(second Amendment) Regulations, 2015 (the "Listing Regulations")

We would like to inform you that as required under Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors formulated, adopted and approved the Dividend Distribution Policy. A copy of the same is attached for your ready reference.

The above policy has also been uploaded on the website of the Company www.ttkprestige.com.

Kindly take the above information on record.

Thanking you

Yours faithfully

For TTK Prestige Limited


(K SHANKARAN)
Director & Secretary

Encl. : a/a

TTK PRESTIGE LIMITED

"DIVIDEND DISTRIBUTION POLICY" APPROVED BY THE BOARD OF DIRECTORS

- 1. Preamble:** TTK Prestige Limited is classified as part of the Top 500 listed companies in India based on market capitalisation as on 31.3.2015 and 31.3.2016. In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, such listed companies are mandatorily required to formulate a policy for Dividend Distribution and disclose the same on the web-site of the company and the Annual Report. Accordingly, this Policy Document has been approved by the Board of Directors at their meeting held on 3rd November 2016.
- 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 30% 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 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 stake-holders
 - 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 retained 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 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 'www:ttkprestige.com' and disclosed in the Annual Report 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.
