

May 27, 2025

National Stock Exchange "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
Scrip Symbol : TTKPRESTIG	Scrip Code : 517506

Dear Sir,

Sub: Extracts of Board's Report – FY 2024-25

Kindly find enclosed the extracts of Board's Report approved by the Board of Directors for your records.

This is for your information and records.

Thanking you,

Yours faithfully,
For TTK Prestige Limited,

Manjula K V
Company Secretary & Compliance Officer

TTK PRESTIGE LIMITED
EXTRACT OF BOARD'S REPORT FY 2024-25

FINANCIAL RESULTS (STAND ALONE)

		(Rs. in Crores)	
		2024-25	2023-24
1	Sales (Net of discounts)	2,530.32	2500.74
2	Other Income	75.16	75.11
3	EBITDA (Before Exceptional Items)	339.01	386.00
4	Profit Before Tax and Exceptional Items	264.37	318.18
5	Exceptional Items	(32.26)	-
6	Profit Before Tax	232.11	318.18
7	Tax Provision	(69.43)	(79.37)
8	Profit After Tax	162.68	238.81
9	Other Comprehensive Income	(1.99)	(3.91)
10	Total Comprehensive Income for the year	160.69	234.90
11	Transfer to General Reserve	(20.00)	(24.00)
12	Surplus carried to Balance Sheet	140.69	210.88

MANAGEMENT'S DISCUSSION AND ANALYSIS

A. ECONOMY / INDUSTRY SCENARIO

General Economy:

- In FY 2024-25, the global economy exhibited a period of steady but uneven growth, with some regions and sectors experiencing stronger performance than others. While inflation eased in most economies, services inflation remained persistent. The global economy showed resilience, despite challenges from supply chain disruptions, weak external demand, and policy rate hikes.
- Global manufacturing saw a slowdown, particularly in Europe and parts of Asia, due to supply chain issues and weak demand. However, the services sector performed well, supporting growth in many economies.
- Overall, the global economic recovery in 2024-25 was characterized by a mix of positive and negative trends, with a slowdown in manufacturing, persistent services inflation, and geopolitical uncertainty posing challenges to the overall recovery.
- Despite global uncertainty, India has displayed steady economic growth. India's real GDP

growth of around 6.4 per cent in FY25 remains close to the decadal average. Inflationary trends indicate a decline, with retail headline inflation reducing from 5.4 percent in FY24 to 4.9 percent in April–December 2024. However, geopolitical tensions, global trade risks, and ongoing conflicts remain significant concerns.

- The services sector remains a crucial contributor to the economy, accounting for more than 50% percent of gross value added (GVA) in FY25. Services exports surged by 12.8 percent year-on-year, with information and computer-related services experiencing consistent double-digit growth over the past decade.
- Tourism and hospitality have also rebounded strongly post-pandemic, with foreign tourist arrivals increasing by 18.5 percent in FY25.
- From the end of FY 25 the tariff war indulged in by USA is causing concerns globally and the impact of this on India is uncertain at this point in time.

Industry:

- Your Company primarily operates in the Kitchen Appliances segment with a wide range of product categories. The product categories broadly consist of Pressure Cookers, Cookware, Gas Stoves, Domestic Kitchen Electrical Appliances not being whitegoods and select home small domestic appliances.
- The market for all these products consists of organized national brands, regional brands as well as unorganized market players. The market for most of these key products except a few like Pressure Cookers, Cookware and Induction Cooktops, is fragmented and is shared by several players. Many players both big and small as well as startups have been entering and exiting these product categories and this churn in the market is still going on. Reorganization, mergers/acquisitions etc are also seen in this industry over the last few years.
- With e-Commerce becoming an active channel over the last couple of years it has become a platform for intense competition as even regional and small players as well as startups could reach out to pan India through this channel. Adding to this the Quick commerce (Q-commerce) is rapidly expanding in India, outpacing traditional e-commerce growth.
- The competitive intensity continued to be high during the year calling for higher sales promotion / increased discounts during this year by most brands and online channels.

Consumer/Channel Scenario:

- Your Company's products come under discretionary spending and hence the share of wallet continues to be a major concern. Further the food-price inflation felt during the year is impacting the discretionary spending. It has resulted in shrinking in middle income group. Demand traction was more towards low-end as well as value added products.
- Rural demand was stressed due to food-inflation for most of the year. Further over leveraging and recovery related issues are affecting the credit flow from MFIs which has deeply affected the rural demand. Urban demand in India faced challenges, particularly in the fast-moving consumer goods / consumer durable sectors. While rural demand, which are not dependent on micro finance, showed improvement due to a favourable monsoon and easing inflation, urban demand was impacted by low wage growth, high inflation, and a high base effect.

- The e-commerce, large format stores and exclusive retail channels have been doing good during the year. However, the general trade has not been growing for the second consecutive year reflecting the customer sentiment. Value added innovative products continued to do well during the year.
- Regional and unknown brand players were able to penetrate the market through online platforms with lower price points, especially with reference to entry level products.

Export Market:

- India's export of goods and services hit an all-time high in 2024-25, driven by a record surge in the shipments of services despite global trade headwinds.
- Export of goods remained weak during the year driven by continued global recession and inflation driven by extended geo-political issues. India continued to be a preferred alternate source for global brands and is expected to result in positive benefits for India in the coming years once the global economy improves.

B. ANALYSIS OF PERFORMANCE:

- Your Company continues to maintain leadership positions in all the key categories like Pressure Cookers, Cookware, Value added Gas Stoves, Induction Cooktop, Kettles, etc and has seen marginal improvements in its market share in most of these categories.
- Company came out with new innovative products during the year addressing some of the pain points of the consumers including try-ply cooker and cookware, ceraglide cookware, various models of air fryers, high end mixer grinders, Induction Cooktops with surge protectors, new innovative model Gas stoves, etc., which were well received in the market aiding to improve the market share.
- As informed earlier, Your Company has resumed its imports from China during the year to bring in new product categories and innovative models. Your Company has plans to indigenously manufacture these products over a period of time.
- General trade did relatively well during this year as compared to previous year, but they continued to feel the pressure from the e-commerce and modern format stores which did well during this year. Exclusive stores also did very well during the year proving the loyalty and trust of the consumers to the Brand 'Prestige'.
- Your Company maintains significant presence in all channels and continues to maintain cordial relations with all its channel partners – whether online or offline and has proactively minimised the conflict among the various channels without compromising on product offerings and without succumbing to predatory pricing pressures. Your company has been successfully filling the distribution gaps in reaching the consumer through both traditional and modern channels.
- The products include Pressure Cookers, Cookware, Kitchen Electrical Appliances, Gas Stoves, and Small Domestic Appliances. The turnover of these product categories is given in the following table:

(Rs.in Crores)

	2024-25			2023-24		
	Domestic	Export	Total	Domestic	Export	Total
Pressure Cookers (including Microwave Pressure Cookers)	753.78	34.07	787.85	762.47	27.26	789.73
Cookware	399.27	32.34	431.61	371.38	27.72	399.10
Gas Stoves	320.96	0.18	321.14	307.31	0.15	307.46
Mixer Grinder	219.36	0.50	219.86	228.44	0.73	229.17
Induction Cooktop	272.95	0.02	272.97	304.02	0.29	304.31
Other Kitchen/ Home Appliances	389.39	0.06	389.45	380.41	0.65	381.06
Others	106.76	0.68	107.44	76.35	13.56	89.91
Total	2462.47	67.85	2530.32	2430.38	70.36	2500.74

- The domestic sales increased marginally from Rs. 2430 Crores to Rs 2462 Crores; a growth of 1.3%.
- The alternate channels viz. Rural Channel dependant on MFI and institutional channel, which had significant share of sales for the Company, was badly affected during the year due its own challenges. Sales lost on account of this during this year is around Rs 125 Crores.
- The traditional channel which includes general trade, exclusive stores, e-commerce, and modern trade grew by 7.8% during the year, but the alternate channels pulled down the overall domestic market growth for the year to 1.4%.
- Judge brand as a tactical brand is progressing well post its repositioning in FY 23-24 and contributed around Rs 68 Crores to sales (PY Rs 47 crores); a growth of 43%. Various new products were launched during the year, and your Company also expanded its distribution network for Judge Brand products. The benefit of this repositioning has started seeing the results from this year.
- Exports continued to face the impact of the weak global economy and the extended geo-political situation. Consequently, the export sales during the year stood at Rs. 67.9 Crores against last year's Rs 70.4 Crores.
- Overall, your Company's sales grew from Rs 2501 Crores to 2530 Crores a growth of 1.2%
- The commodity prices especially aluminium has seen an increasing trend from the fag end of the first half of the year pushing the Company to resort to price increase on its aluminium products in Nov 2024 to neutralise any impact of these on the gross margins during the year.
- Investment for Long Term Strategy and Plan
 - During the year your Company appointed a globally reputed consultant to assist to redraw its blueprint for a long-term strategy and plan. Post that reviews the Board decided to commit financial resources to the tune of Rs. 500 crores over the next three financial years commencing from Q4 of FY 24-25. This outlay will cover both

soft operational expenses and hard expenses of capital nature. The spends on operational areas for achieving the overall business excellence, which will include innovation, design, manufacturing / sourcing, go to market with clear market segmentation, logistics and service, is estimated at around Rs. 200 crores while the capex is estimated to be of the order of Rs. 300 crores.

- This outlay is designed to fortify the current core business of your Company - Pressure cookers & Cookware, domestic kitchen appliances both electric and non-electric and targeted export clients. Wherever necessary your Company will use external expertise in specific domains. The action plan is designed to get back to a good growth phase, besides bringing in sustainable savings in costs. This plan may result in some transient impact on operating EBITDA margins over the next 8 quarters as initial one-time soft-investments are targeted to achieve growth and cost-savings may not outweigh the one-time soft investments.
- During the year your Company had spent around Rs 29.8 Crores being expenses incurred by the Company for long-term growth strategy and plan.
- Exceptional Items
 - During the year under review your Company did an impairment assessment of its investment in the subsidiary company Horwood Homewares Ltd, UK (Horwood). Earlier in the financial year 2019-20 a goodwill impairment of around Rs 11.69 Crores was made in the consolidated financials of your Company considering the impact on the UK market during Covid-19 pandemic. Horwood did relatively well after Covid19 pandemic, and no further impairment was necessitated in the following years. Considering the continued geo-political tensions, uncertain timelines on the recovery of the UK and European economy an amount of Rs 32.26 Crores was estimated as a provision for investment impairment in the standalone financials as of 31st March 2025 (PY: Rs Nil). In the consolidated financials a goodwill impairment of Rs 71.42 Crores has been considered. The management is confident that the economic situation in the UK will recover soon and that Horwood will be able to travel on the growth path.
- Your Company with its marketing strategies and improved efficiencies managed to minimize the impact of the loss of growth in few channels and continued to maintain healthy margins.
- Your Company delivered EBITDA (before long-term strategic investments and exceptional items) of Rs 369 crores (PY Rs 386 Crores) and Profit before tax (before long-term strategic investments and exceptional items) at Rs 294 Crores (PY Rs 318 Crores). EBITDA margin (before long-term strategic investments and exceptional items) was at a healthy level of 14.6% (PY 15.4%) and the Operating EBITDA margin (before long-term strategic investments and exceptional items) was at 11.9% (PY 12.8%)
- The depreciation charge was higher at Rs 64.4 crores (PY Rs 58.9 Crores) due to investment in fixed assets.
- The Net profit after tax (before exceptional items) was at Rs 194.9 Crores (PY Rs 238.8 Crores).
- The standalone EPS (face value of Rs 1/-) before exceptional items was at Rs 14.16 (PY Rs 17.23)
- As stated in the past years, your company does not follow a stand-alone margin led policy

but is focussed on growth with a fair long-term return on capital employed. Operating ROCE stood at 29.3% (PY 34.6%) on expanded asset base as compared to the previous year.

- The Company is debt-free and carried a comfortable free cash of over Rs 825 Crores (including short term Liquid investments) as on March 31, 2025 after rewarding the shareholders with a buyback outflow of Rs 249 Crores including taxes and other expenses on buyback.
- The consolidated turnover and profit before tax (before long-term strategic investments and exceptional items) of the Company and its subsidiaries amounted to Rs 2715 Crores (PY Rs 2678 Crores) and Rs 276 Crores (PY Rs 301 Crores) respectively.
- Despite difficult market conditions and inflationary challenges during the year, none of the key financial ratios (inventory turnover, receivable turnover, net-current asset turnover, margins and return on net worth) had a variance of 25% or more as compared to the previous year.
- During the year under report your Company introduced around 191 new SKUs covering Pressure Cookers, Cookware, Gas Stoves, Induction Cook tops, Mixer Grinders, Rice Cookers, and other Small Electric/Non-Electric Appliances.
- Prestige Xclusive network was consolidated and rationalized where necessary and new outlets were added also added during the year. The number of outlets as at 31.03.2025 was at 667 (PY 699). The network now covers 314 Towns. The spread of the network is also evenly distributed between Metros, Mini-Metros, Tier 1, Tier 2, and Tier 3 cities.
- Service network as of 31st Mar 2025 stands at 487 centres (PY - 476 centres).

Your Board of Directors consider the performance of your Company during the year as good given the inflationary environment and the challenges faced by some of the sales channels significant to your Company. Your Company continues to maintain its leadership in market share both in value & volume terms across major product categories.

Your Directors would like to highlight that during the year FY 2023-24 the Company has rewarded the shareholders with a dividend of Rs 83.17 Crores and buyback of the shares to a sum of Rs 200 Crores totalling to Rs 283.17 Crores (excluding the buyback expenses of Rs 48.9 Crores).

Your directors are happy to recommend a dividend of Rs. 6 per share of face value Rs 1/- each for FY24-25 (PY: Rs 6.00 per share of face value Rs 1/- each).

C. SUBSIDIARY COMPANIES & CONSOLIDATED RESULTS:

a) Horwood Homewares Ltd, United Kingdom

The operating subsidiary Horwood Homewares Limited (Horwood) achieved a sale of £ 14.2 million (PY £14.4 million). The slowdown of UK economy and recessionary trend in UK triggered by the extended geo-political situation in UK, Europe, and USA the markets in which they are operating resulted in the drop in sales. Operating EBITDA for the year improved to £0.31 million (PY £0.02 million). The improvement in EBITDA is primarily driven by improved operational efficiencies, optimisation of cost and improvement in gross margins during the year. These improvements are sustainable in the coming years.

During the year under review, TTK British Holdings Limited, UK (TTK Brit) the holding Company of Horwood decided to do an impairment review of its investment in Horwood considering the continued geo-political tensions, uncertain timelines on the recovery of the UK and European economy compounded by the tariff-war initiated by US. An amount of £ 7.0 Million was estimated as a provision for investment impairment in the financials of TTK Brit as of 31st March 2025 (PY: Rs Nil). The management is confident that the economic situation in the UK will recover soon and that Horwood will be back in growth performance. This impairment has been considered appropriately in the consolidated financial statements.

b) Ultrafresh Modular Solutions Limited, India

Ultrafresh Modular Solutions Limited (Ultrafresh) achieved a turnover of Rs 32.5 Crores during the year (PY Rs 31.2 Crores); with a growth of 4.1% and with an EBITDA of Rs (9.3) Crores (PY: Rs (6.1) Crores). Delays in project readiness for installation in some of the project orders led to deferment of some amount of sales during the year. The EBITDA is lower than last year primarily due to reduced leverage driven by lower sales growth during the period. Being a 51% Subsidiary Company their financials are consolidated appropriately in the Consolidated Financial Statements. Ultrafresh has 160 studios as of 31st Mar 2025 after attritions (PY: 147 studios). Ultrafresh is continuing its efforts on optimisation of costs to improve its EBITDA margin in the coming year.

D. OUTLOOK & OPPORTUNITIES:

- a. The Indian economy is projected to remain a high-growth engine, with potential for strong performance driven by domestic demand, infrastructure investments, and a growing digital economy. While challenges persist, such as regulatory hurdles and global uncertainties, India's resilience and growth potential are significant.
- b. India is expected to remain the fastest-growing major economy for the next two years, with projected GDP growth of 6.2% in 2025 and 6.3% in 2026.
- c. Strong domestic consumption, coupled with increased investment in infrastructure, is driving economic expansion.
- d. Evolving global trade relations are expected to influence India's economic trajectory: India's strong trade relations with the United States, which is also the nation's largest trading partner, will likely impact the nation's trade balance and economic growth significantly due to the shifting global trade landscape.
- e. The tax exemptions announced in the budget will increase consumer spending and may boost GDP. However, uncertainty around the tariff rates imposed by the United States on Indian exports could offset those gains.
- f. The outlook for the consumer durables industry in India remains positive, with projections indicating significant growth and a shift towards premium products and technology. The industry is expected to expand on the back of rising disposable incomes, and changing consumer preferences.
- g. The expansion of e-commerce channels provides wider access and convenience for purchasing kitchen appliances.
- h. The shift in preference to procure Indian manufactured products by the global brands

from a country outside China coupled with tariff restriction being imposed by US with various countries is expected to benefit India. Your Company is working with its export customers to develop products to their requirements and increase their sourcing from the Company subject to no further impact in the global economy.

- i. Your Company, as always, focuses on improvement in efficiencies and cost optimization to deliver decent profits even if planned growth is impaired due to external factors like channel churn, geo-political or climatic disturbances.
- j. Owing to its brand salience, extensive channel presence including exclusive retail network, your company is comparatively better placed to reach the end consumer.
- k. Your company is debt-free, and all its manufacturing and sourcing facilities with adequate capacities and human infrastructures can increase supplies to the market at short notice.
- l. Despite global uncertainties and downward revisions in growth forecasts for other large economies, India is set to maintain its leadership in global economic growth. Supported by strong fundamentals and strategic government initiatives, the country is well-positioned to navigate the challenges ahead. With reforms in infrastructure, innovation, and financial inclusion, India continues to enhance its role as a key driver of global economic activity.
- m. Under the above circumstance your Company is confident that it will maintain the growth paths in the coming year with stable operating margins if projected GDP growth of 6.2% is achieved.

E. MEDIUM & LONG-TERM STRATEGY:

- a. To take advantage of the growth in Indian economy your Company has already working on a blue-print to accelerate the growth in the next 3 to 5 years with focus on design, innovation, strategy for go-to-market, operation excellence and cost optimization. Appropriate investments – soft and hard will be incurred by the Company in the next 3 years as indicated earlier. Your Company will be working with one or more experts and consultants in this journey.
- b. Your Company will continue to focus on being a leading player in its core product categories in the kitchen domain, by expanding the product portfolio, and driving growth through product innovation, brand building, manufacturing, distribution, sourcing, service capabilities and 'Customer Engagement' and will continue to work on further strengthening these capabilities.
- c. Your Company has successfully completed the transition in operating management at key levels with a blend of experience and diverse skill sets and has put in place long term incentive plans to maintain and attract talent.
- d. In the medium and long-term, your Company expects to maintain growth levels surpassing the GDP with healthy operating EBITDA margin and Return on Capital Employed before the onetime costs for the long-term strategic objectives. This is subject to any unforeseen external factors beyond control.

F. THREATS

The Indian kitchenware market is highly fragmented, with a mix of unorganized local players and organized brands as well as startups. Local players often offer lower-priced products, appealing to the vast price-sensitive population in rural and semi-urban areas. This fragmentation makes it challenging for larger brands to establish dominance and compete effectively. The trade tariff impositions between countries, continued geo-political tension and any serious conflicts in the border may have adverse effects on the costs. Additionally, fluctuations in raw material prices and supply chain disruptions can impact profitability as it may not be possible to pass on the cost increase to the consumers in full. Any delay in the introduction of new innovative / differentiated products can impact the growth due to intense competition. Your Company has been adopting a dynamic cost management processes and systems to ensure health EBITDA margins as it has been demonstrated in the previous years.

SUSTAINABILITY - ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Your Company has been continuously implementing various projects to address global environmental issues such as climate change, global warming, etc. Some of the products of your Company such as pressure cookers, induction cooktops, etc., are designed to save energy as well as protect environment.

Continuous design improvements, investments in efficient manufacturing processes, solar power and green environment in manufacturing locations are directed to reduce the consumption of basic metals like aluminium, steel etc besides utilities like water, power, and fuel.

During the year, your Company's factory at Hosur was certified by CII – Sohrabji Godrej Green Business Centre with **GreenCo Silver rating** which is valid for a period of 3 years up to 2028. In the previous year your Company's factory at Karjan was certified for the same. Your Company is in the process of improving this rating further in the coming years. In addition, your Company has also developed a road map to obtain similar certification for the other factories in the coming years.

FUTURISTIC STATEMENTS

This Directors' Report and the Management Discussion and Analysis included therein may contain certain statements, which are futuristic in nature. Such statements represent the intentions of the Management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on numerous factors both internal and external. Therefore, the investors are requested to make their own independent judgments by considering all relevant factors before taking any investment decision.