

July 29, 2020

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

Dear Sir,

**Sub: 64<sup>th</sup> Annual General Meeting (AGM) - Annual Report 2019-20**

This has reference to our letter dtd July 28, 2020 on the above subject. There was a printing error in mentioning the UDIN Number in the Secretarial Audit Report. The corrected copy is attached herewith. The same is available on the Company's website <http://www.ttkprestige.com/investor-relations/investor-information#>

Kindly take the above information on record.

Thanking you,

Yours faithfully,  
**For TTK Prestige Limited,**

  
**K. Shankaran**  
**Director & Secretary**



# **64<sup>th</sup> ANNUAL REPORT**

**2019 - 2020**

***EMBRACING  
SELF-RELIANCE***



**SVACHH**  
PRESSURE COOKER

INDIA'S **1**  
KITCHEN  
APPLIANCE  
BRAND  
No.

SELECTED  
**Superbrand**  
2014  
Consumer Validated  
2019-20

# INDIA'S FIRST PRESSURE COOKER WHICH CONTROLS SPILLAGE

controls spillage

deep lid



## RANGE:



Available in:  
Aluminum, Stainless Steel and Hard Anodized variants.

## FEATURES:

UNIQUE LID  
MINI METALLIC SAFETY PLUG  
DURABLE HANDLES

GAS & INDUCTION  
COMPATIBLE

PATENT APPLIED

5 YEAR  
WARRANTY  
ON PRODUCT

**Prestige**

Jo apnon se kare pyaar, woh  
Prestige se kaise kare inkaar.

# TTK PRESTIGE LIMITED

## CONTENTS

|                                                                                     | Page |                                                          | Page |
|-------------------------------------------------------------------------------------|------|----------------------------------------------------------|------|
| Board of Directors                                                                  | 1    | Standalone Financials                                    | 60   |
| Notice                                                                              | 2    | Consolidated Financials                                  | 111  |
| Board's Report including Management's Discussion and Analysis Report with Annexures | 9    | Salient Features of Financial Statements of Subsidiaries | 157  |
| Business Responsibility Report                                                      | 34   | Historical Financial Highlights                          | 158  |
| Report on Corporate Governance                                                      | 41   | Format for Furnishing the PAN and Bank Details           | 159  |

## BOARD OF DIRECTORS

|                                 |                                |
|---------------------------------|--------------------------------|
| Shri. T.T. Jagannathan          | Chairman                       |
| Shri. T.T. Raghunathan          | Vice Chairman                  |
| Shri. Chandru Kalro             | Managing Director              |
| Shri. R. Srinivasan             | Director                       |
| Dr. (Mrs.) Vandana R. Walvekar  | Director                       |
| Shri. Dileep Kumar Krishnaswamy | Director                       |
| Shri. Arun K. Thiagarajan       | Director                       |
| Shri. Murali Neelakantan        | Director                       |
| Shri. T.T. Mukund               | Director                       |
| Shri. Dhruv Sriratan Moondhra   | Director                       |
| Shri. K. Shankaran              | Wholetime Director & Secretary |

### REGISTERED OFFICE & WORKS

Plot No. 38, SIPCOT Industrial Complex,  
Hosur - 635 126, Tamil Nadu.  
CIN: L85110TZ1955PLC015049  
website: www.ttkprestige.com  
Email: investorhelp@ttkprestige.com

### CORPORATE OFFICE

11th Floor, Brigade Towers, 135, Brigade Road  
Bengaluru - 560 025. Tel: 080-22217438/9

### FACTORIES

- 82 & 85, Sipcot Industrial Complex  
Hosur - 635 126, Tamil Nadu.
- SF-234/1, Pollachi Road, Myleripalayam Village  
Coimbatore - 641 032. Tamil Nadu.
- Plot No. 1A & 2, Dev Bhoomi Industrial Estate  
Roorkee - 247 667, Uttarakhand.
- Vemardi Road, Juni Jithardi Village  
Karjan Taluka, Vadodara, Gujarat.
- 231, Khardi, Shahpur  
Thane, Maharashtra - 421 301.

### BRANCHES

Ahmedabad, Bengaluru, Bhubaneshwar, Chennai,  
Delhi, Dehradun, Ernakulum, Ghaziabad, Goa,  
Gurgaon, Guwahati, Hubballi, Hyderabad, Indore,  
Jaipur, Jammu, Kolkata, Lucknow, Mohali, Mumbai,  
Patna, Pune, Ranchi, Raipur, Trichy & Vijayawada.

### STATUTORY AUDITORS

M/s. PKF SRIDHAR & SANTHANAM LLP  
Chartered Accountants  
T8 & T9, GEM Plaza, 66, Infantry Road  
Bengaluru - 560 001.

### COST AUDITOR

Sri. V. Kalyanaraman  
#4, 2<sup>nd</sup> Street, North Gopalapuram  
Chennai - 86.

### SECRETARIAL AUDITOR

M/s. Hegde & Hegde  
Company Secretaries,  
Ganesh Krupa, #34, 1<sup>st</sup> Main Road, Gandhinagar  
Bengaluru - 560 009.

### REGISTRARS AND SHARE TRANSFER AGENTS

KFin Technologies Pvt. Ltd. (formerly Karvy Fintech Pvt. Ltd.)  
Selenium, Tower "B", Plot 31-32, Gachibowli  
Financial District, Nanakramguda  
Hyderabad - 500 032.

### BANKERS

1. **Canara Bank**, Prime Corporate Branch  
Shankaranarayana Building, M.G. Road  
Bengaluru - 560 001.
2. **Bank of Baroda**, CFS Branch, Brigade Road  
Bengaluru - 560 025.
3. **HDFC Bank Ltd.**  
Richmond Road, Bengaluru - 560 025.



## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that the 64<sup>th</sup> Annual General Meeting (AGM) of the members of **TTK PRESTIGE LIMITED** will be held on **Friday, the 21<sup>st</sup> August, 2020 at 10.15 AM IST** through Video Conferencing / Other Audio Visual Means (VC)/(OAVM) to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of audited financial statements

To receive, consider and adopt the audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March 2020 together with the Reports of the Board of Directors and the Auditors thereon.

#### 2. Declaration of Dividend

To declare dividend of ₹ 20/- (Rupees Twenty Only) per equity share for the financial year ended March 31, 2020.

#### 3. Appointment of Director

To appoint a Director in place of Mr. T. T. Mukund (DIN: 07193370) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 4. Ratification of remuneration payable to Cost Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the remuneration of ₹ 4,00,000/- (Rupees Four lakhs only) plus taxes and levies as applicable and reimbursement of travel and out-of-pocket expenses, payable to Mr. V. Kalyanaraman, Cost Accountant for conducting the audit of cost records of the Company, for the financial year ending 31<sup>st</sup> March, 2021, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby approved".

Place: Bengaluru  
Dated: June 25, 2020

By order of the Board  
**K. SHANKARAN**  
Wholtime Director & Secretary  
DIN: 00043205

Registered Office:  
Plot No. 38, SIPCOT Industrial Complex,  
HOSUR – 635 126, Tamil Nadu.

### NOTES:

1. This AGM is convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to General Circular numbers 14/2020, 17/2020 and 20/2020, dated 08.04.2020, 13.04.2020 and 05.05.2020 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as 'Circulars'), which allow the companies to hold AGMs through VC/OAVM considering the present COVID-19 pandemic.
2. In compliance with the aforesaid Circulars, this AGM Notice along with the Annual Report for the year 2019-20 is sent only through electronic mode to those Members whose E-mail addresses are registered with the Company / Depositories. The AGM notice and Annual Report of the Company are made available on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com) and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited - [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited - [www.nseindia.com](http://www.nseindia.com). The Company has published a Public Notice by way of advertisement in Tamil Language, the principal vernacular language of Tamilnadu and in English language in an English newspaper with the required details of 64<sup>th</sup> AGM, for information of the Members.
3. The Company has availed the services of KFin Technologies Private Limited, (KFintech) Registrar and Transfer Agent of the Company, as the authorised agency for conducting of the AGM through VC/OAVM and providing e-voting facility.
4. Though a member entitled to attend and vote at the meeting, is entitled to appoint one or more proxies (proxy need not be a member of the company) to attend and vote instead of himself / herself, the facility of appointment of proxies is not available as this AGM is convened through VC/OAVM pursuant to the Circulars.
5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In case of joint holders only such joint holder who is higher in the order of names will be entitled to vote during the meeting.
7. The statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning special business at Item No.4 is annexed hereto.

8. The Register of Members and the Share Transfer Books of the Company will remain closed on August 15, 2020 for the purpose of AGM and payment of dividend.
9. The dividend, as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid on and from August 31, 2020, to those Members whose names stand registered on the Company's Register of Members:
  - a) as Beneficial Owners as at the end of business hours on Friday, August 14, 2020 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
  - b) as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before Friday, August 14, 2020.
10. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 124 of the Companies Act, 2013, to the Investor Education and Protection Fund ("IEPF"), established under Section 125 of the Companies Act, 2013. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fee as decided by it from time to time. The Member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

It is in the Member's interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Member's account on time.

11. Members who have not yet encashed the dividend warrant(s) from the financial year ended March 31, 2013 (as detailed below) onwards (as detailed below) are requested to forward their claims to the Company's Registrar and Share Transfer Agents. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount.

| Financial Year Ended                   | Due Date of Transfer |
|----------------------------------------|----------------------|
| 31 <sup>st</sup> March, 2013           | 19.08.2020           |
| 31 <sup>st</sup> March, 2014           | 25.09.2021           |
| 31 <sup>st</sup> March, 2015           | 27.08.2022           |
| 31 <sup>st</sup> March, 2016 - Interim | 16.04.2023           |
| 31 <sup>st</sup> March, 2017 - Interim | 29.05.2024           |
| 31 <sup>st</sup> March, 2017 – Final   | 15.09.2024           |
| 31 <sup>st</sup> March, 2018           | 29.08.2025           |
| 31 <sup>st</sup> March 2019            | 16.09.2026           |

It may also be noted that the unclaimed dividend amounts which were lying with the Company up to the year ended on March 31, 2012, have been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in). Members are requested to contact KFin Technologies Private Limited (KFintech), Unit: TTK Prestige Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Serilingampally Mandal, Hyderabad – 500 032, Telangana, the Registrar and Share Transfer Agents of the Company, to claim the unclaimed / unpaid dividends.

12. Members are requested to intimate, indicating their folio number, the changes, if any, in their registered address, either to the Company's Registrar and Share Transfer Agents at the address mentioned above or to their respective Depository Participant ("DP") in case the shares are held in dematerialized form.
13. Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) they should submit their NECS / ECS details to the Company's Registrar and Share Transfer Agents.

The requisite NECS /ECS application form can be obtained from the Company's Registrar and Share Transfer Agents. Alternatively, Members may provide details of their bank account quoting their folio numbers, to the Company's Registrar and Share Transfer Agents to enable them to print such details on the dividend warrants.

14. As a part of the green initiatives, the Members who have not yet registered their E-mail addresses are requested to register their E-mail addresses with their DPs in case the shares are held by them in electronic form and with KFintech in case the shares are held by them in physical form. Upon such Registration, all communication from the Company/RTA will be sent to the registered E-mail address.

15. As required by Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of all Directors seeking appointment or re-appointment at this Annual General Meeting are given in the annexure to the Notice of the Annual General Meeting.
16. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice.
18. Effective April 1, 2020, dividend income will be taxable in the hands of shareholders. Hence the Company is required to deduct tax at source [TDS] from the amount of dividend paid to shareholders at the prescribed rates. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) on or before August 14, 2020. Further no tax shall be deducted on the dividend payable to a resident individual shareholders if the total amount of dividend to be received from the Company during the Financial Year 2020-21 does not exceed ₹5,000/-. Shareholders may note that in case PAN is not updated with the Depository Participant/Register of the Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:

- Copy of PAN card copy, if any, allotted by Indian Income Tax Authorities duly self-attested by the member
- Copy of Tax Residency Certificate [TRC] for the FY2020-21 obtained from the revenue authorities of country of tax residence duly attested by the member
- Self-Declaration in Form 10-F
- No-PE [permanent establishment] certificate
- Self-Declaration of beneficial ownership by the non-resident shareholder
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities

The members/shareholders are required to provide above documents/declarations by sending an E-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) on or before August 14, 2020. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the rates mentioned in the Income Tax Act, 1961. In case of Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable Surcharge and Cess.

19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 21, 2020. Members seeking to inspect such documents can send an email to [investorhelp@ttkprestige.com](mailto:investorhelp@ttkprestige.com).
20. Updation of Members' details: The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, E-mail address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to furnish the above details to the Company or KFintech, its Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to furnish the details to their respective DP. Please refer to point no. 24 & 25 below for the relevant procedures for updating these information.
21. Since the AGM being held through VC/OAVM, the Route Map, Attendance Slip and proxy form are not attached to this Notice.

## 22. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC / OAVM AND VIEWING WEBCAST OF AGM:

- i. Members will be able to attend the AGM through VC / OAVM or view the live Webcast of AGM at [emeetings.kfintech.com](http://emeetings.kfintech.com) / by using their remote e-voting login credentials;
- ii. After logging, click on Video Conference and again click on camera icon appearing against AGM Event of **TTK Prestige Limited**.
- iii. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the name by following the remote e-voting instructions mentioned in the Notice.
- iv. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.
- v. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to [emeetings.kfintech.com](http://emeetings.kfintech.com) and clicking on the 'Speaker Registration' tab available on the screen after log in. The Speaker Registration will be open during August 16, 2020 to August 17, 2020. Only those members Start at 10.00 am and end 5 pm who are registered will be allowed to express their views or ask questions. Alternatively members may also write to Company at [investorhelp@ttkprestige.com](mailto:investorhelp@ttkprestige.com) before 5.00 PM on Wednesday August 17, 2020. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

**AGM Questions prior to e-AGM:** Members who would like to ask questions during the meeting may log into [emeetings.kfintech.com](http://emeetings.kfintech.com) and click on "Post your Questions" in the window provided by mentioning the name, demat a/c no./folio number, email id, mobile number. Please note that questions asked by members who hold shares as on cut-off date will only be answered. This option shall commence on 16.8.2020 from 9.00 AM and close on 17.8.2020 at 5.00 PM.

- vi. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first-come-first-served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee,

Nomination and Remuneration Committee and Auditors are not restricted on first-come-first served basis.

- vii. Members of the Company under the category of Institutional Investors are encouraged to attend the AGM and vote at the AGM, if not already voted remotely.
- viii. Members who need assistance before or during the AGM may contact Ms. C Shobha Anand, Deputy General Manager, KFin Technologies Private Limited Tel +91 40 6716 2222 or Toll Free No.: 1800-345-4001; or send an E-mail request to [shobha.anand@kfintech.com](mailto:shobha.anand@kfintech.com) or [evoting@kfintech.com](mailto:evoting@kfintech.com)

## 23. E-Voting:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by KFin Technologies Private Limited (KFinTech) on all resolutions set forth in this Notice.
2. The remote e-voting period commences at 9.00 a.m. IST on Tuesday, August 18, 2020 and ends at 5.00 p.m. IST on Thursday August 20, 2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, August 14, 2020, may cast their vote electronically in the manner and process set out hereinabove. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
3. Instructions for Remote E-voting are as under:
  - i. Launch internet browser by typing the URL: [evoting.karvy.com](http://evoting.karvy.com)
  - ii. Enter the login credentials (i.e. user ID and password). In case of physical folio, user ID will be EVEN number 5423 followed by folio number. In case of Demat account, user ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for remote e-voting, you can use your existing user ID and password for casting your vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change menu wherein you are required to mandatorily



change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, E-mail ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., TTK Prestige Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN". If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., to attend the AGM

through VC/OAVM on its behalf together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at E-mail [scrutinizer.ttk@gmail.com](mailto:scrutinizer.ttk@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "TTK Prestige Limited 64<sup>th</sup> Annual General Meeting".

#### **4. Instructions for Members for Voting during the AGM:**

The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

- i. The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC / OAVM.
  - ii. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
  - iii. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.
  - iv. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
24. Procedure for registering the E-mail addresses and obtaining the AGM Notice, Annual Report and e-voting user ID and password by the Members whose E-mail addresses are not registered with the Depositories (in case of Members holding shares in Demat form) or with KFinTech (in case of Members holding shares in physical form)
- I. Those Members who have not yet registered their E-mail addresses are requested to get their E-mail addresses registered by following the procedure given below:
    - a) Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
    - b) Members holding shares in physical form may register their E-mail address and mobile number with Company's Registrar and Transfer Agents, KFin Technologies Private Limited by sending an E-mail request at the E-mail ID [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along

with signed scanned copy of the request letter providing the E-mail address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate.

- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with Kfintech for Temporary registration of E-mail addresses of the Members in terms of the MCA Circulars.

Eligible Members who have not submitted their E-mail address to the Depository Participant or Kfintech are required to provide their E-mail address to Kfintech, on or before 5:00 p.m. (IST) on August 14, 2020.

- a) Visit the link:  
[ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/)
- b) Select the Company name viz. TTK Prestige Limited
- c) Enter the DP ID & Client ID / Physical Folio Number
- d) Enter the PAN details
- e) Enter your E-mail address and Mobile Number
- f) The system will then confirm the E-mail address for receiving this AGM Notice.

- III. After successful registration of E-mail address, Kfintech will send by E-mail, the AGM Notice, Annual Report and e-voting user ID and password to the Members.

**25. Procedure to be followed by the Members updation of bank account mandate for receipt of dividend:**

- I. Send a request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) of Kfintech by providing the following details:
  - a) Folio No., Name of the Member/s;
  - b) Name and Branch of the Bank in which you wish to receive the dividend;
  - c) the Bank Account type;
  - d) Bank Account Number allotted by their bank after implementation of Core Banking Solutions;
  - e) 9 digit MICR Code Number; and
  - f) 11 digit IFSC Code

- II. Along with the request, attach the scanned copy of Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), scanned copy of cancelled cheque bearing the name of the first Shareholder.

**26. Other Instructions:**

- i. In case of any queries, you may refer Help & FAQ section of [evoting.kfintech.com](https://evoting.kfintech.com) or call Kfintech on 040-67162222 and Toll Free No.1800 3454 001.

- ii. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as of the cut-off date, i.e. Friday, August 14, 2020 may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com)

- iii. However, if you are already registered with Kfintech for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on [evoting.karvy.com](https://evoting.karvy.com) or call Kfintech on 1800 3454001 / 040-67162222.

- iv. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, August 14, 2020.

- v. The Board of Directors has appointed Mr. Parameshwara G Hegde, (Membership No. FCS 1325/ CP No.640), Practicing Company Secretary as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

- vi. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL, and RTA and will also be displayed on the Company's website

- vii. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

27. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

28. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at [www.ttkprestige.com](https://www.ttkprestige.com). Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, KFin Technologies Private Limited, in case the shares are held in physical form.

Additional information on directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Forming part of the Notice of the AGM)

#### Item No. 3

|                                                                                              |                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director                                                                         | <b>Mr. T.T. Mukund</b>                                                                                                                                                                               |
| Director Identification Number (DIN)                                                         | 07193370                                                                                                                                                                                             |
| Date of Birth and Age                                                                        | 23.12.1976, 44 years                                                                                                                                                                                 |
| Date of First Appointment on the Board                                                       | 29.5.2015                                                                                                                                                                                            |
| Brief Resume, Qualification, Experience and Nature of Expertise in specific functional areas | Dr. T.T. Mukund is a Reader, National Centre for Biological Services, Bangalore. He has been on the Board of your Company since May 2015 and retires by rotation and is eligible for re-appointment. |
| No. of Board Meetings attended during the year as a Director                                 | Five (as on March 31, 2020)                                                                                                                                                                          |
| Directorships held in other Companies                                                        | Nil                                                                                                                                                                                                  |
| Memberships / Chairmanships of Committees of other Boards                                    | Nil                                                                                                                                                                                                  |
| Remuneration last drawn (FY 2018-19)                                                         | ₹24.30 lakhs (sitting fees and commission)                                                                                                                                                           |
| Remuneration sought to be paid                                                               | He shall be paid sitting fees for attending the meeting of the Board/Committee and a commission as fixed by the Board of Directors within the ceiling as per applicable laws.                        |
| Shareholding in the Company                                                                  | 329766 equity shares                                                                                                                                                                                 |
| Relationship with other Directors and Key Managerial Personnel of the Company                | Mr. T.T. Mukund is the son of Mr. T.T. Jagannathan and nephew of Mr. T.T. Raghunathan                                                                                                                |

Place: Bengaluru  
Dated: 25<sup>th</sup> June, 2020

By Order of the Board  
**K. SHANKARAN**  
Wholetime Director & Secretary  
DIN: 00043205

Registered Office:  
Plot No. 38, SIPCOT Industrial Complex,  
HOSUR – 635 126, Tamil Nadu.

#### STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

#### Item No. 4

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder the Board of Directors of the Company have, on the recommendation of the Audit Committee, appointed Mr. V. Kalyanaraman, Cost Accountant as the Cost Auditors, to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2021 on a remuneration of ₹4,00,000/- (Rupees Four lakhs only) plus taxes and levies as applicable and reimbursement of travel and out of pocket expenses, payable to the said Cost Auditor. In accordance with the provisions of the said section, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified by the shareholders at a general meeting.

The Board recommends the Ordinary Resolution at Item No.4 for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

Place: Bengaluru  
Dated: June 25, 2020

By order of the Board  
**K. SHANKARAN**  
Wholetime Director & Secretary  
DIN: 00043205

Registered Office:  
Plot No. 38, SIPCOT Industrial Complex,  
HOSUR – 635 126, Tamil Nadu.

## BOARD'S REPORT

(Including Management's Discussion & Analysis Report)

Your Directors have pleasure in presenting their Sixty Fourth Annual Report, together with the Audited Financials of the Company, for the year ended 31<sup>st</sup> March 2020 as follows:

### FINANCIAL RESULTS (STAND ALONE)

(₹ in Crores)

|    |                                          | 2019-20 | 2018-19 |
|----|------------------------------------------|---------|---------|
| 1  | Sales (Net of discounts)                 | 1936.79 | 1968.02 |
| 2  | Other Income                             | 24.61   | 25.60   |
| 3  | EBITDA                                   | 285.54  | 311.48  |
| 4  | PBT                                      | 248.21  | 283.57  |
| 5  | Tax Provision                            | 49.70   | 93.26   |
| 6  | PAT                                      | 198.51  | 190.31  |
| 7  | Other Comprehensive Income (Net of Tax ) | (1.51)  | (0.51)  |
| 8  | Total Comprehensive Income               | 197.00  | 189.80  |
| 9  | Transfer to General Reserve              | 20.00   | 20.00   |
| 10 | Surplus carried to Balance Sheet         | 177.00  | 169.80  |

### REVIEW OF PERFORMANCE

- While the overall economic conditions remained sluggish throughout the year, the situation was seriously compounded by the Covid pandemic towards the end of the year that had an impact on the growth of the economy in general and your Company in particular.
- For the 9 months ended 31<sup>st</sup> December 2019, due to high base effect of FY 19 in the rural channel and modern brick & mortar trade channel, your Company registered a marginal growth in sales. The rural base was affected because of rural stress as well as non-availability of credit from micro-finance channels on account of NBFC crisis. In both these channels a large portion of sales came from a few buyers who were impacted by different sets of factors both internal and external.
- Your company developed several new buyers and broadened its customer base in these channels and started seeing double digit growth from February 2020 till mid-March 2020. All channels and all geographies exhibited strong recovery during this period. Thereafter the lockdown brought all sales to a halt till first week of May 2020. Export orders could not be delivered

and had to be deferred. The estimated loss of sales on account of lockdown for the last quarter was of the order ₹ 70 crores.

- Your company launched an innovative and revolutionary range of Pressure Cookers under the Svachh platform during the second half of FY 20. This range has received wide acceptance from all markets.
- Given the above back drop, your Company's performance for the year with a Net sales of ₹ 1937 crores (a drop of 1.6% from ₹ 1968 crores of the previous year) is considered commendable. Domestic sales accounted for ₹ 1895 crores (PY ₹ 1917 crores) while export sales accounted for ₹ 42 crores (PY ₹ 51 crores).
- In spite of severe constraints, as explained above, the EBITDA remained healthy at ₹ 286 Crores (PY ₹ 311 Crores) and Profit before tax at ₹ 248 crores (PY ₹ 284 crores). On account of expansion (and introduction of Ind AS 116) the depreciation charge was higher at ₹ 34.6 crores (PY ₹ 26 crores).
- The net profit after tax was higher at ₹ 198.51 Crores (PY ₹ 190.31 Crores). The standalone EPS was ₹ 143.21 (PY ₹ 137.30) a growth of 4%. EPS for both the years has been calculated after taking into account the allotment of bonus shares made in May 2019.
- 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 31.55% (PY 37.59%) on expanded asset base.
- The Company is debt-free and carried a comfortable free cash of ₹ 365 Crores (including short term Liquid investments) as on 31st March 2020.

To sum up, your Board of Directors is of the view that the current year performance is satisfactory given the tough external environment. Your Company continues to maintain its overall market share in value terms across product categories.

Considering the uncertainty caused by COVID-19, your Directors consider it prudent to recommend a lesser rate of dividend at ₹ 20 per share (PY ₹ 30 per share) and consider paying an interim dividend during FY 21 based on easing of uncertainties that require preservation of cash.

A detailed analysis is provided under the section 'Management's Discussion and Analysis' forming part of this Director's Report including the impact and uncertainty caused by the COVID-19 pandemic.

## AWARDS AND RECOGNITIONS

Your Company continued to be recognized by various agencies for its high-quality performance under various parameters. During the Financial Year 19-20, your Company bagged the following awards/recognitions.

- Awarded Readers Digest Most Trusted Brand Awarded in Kitchen Appliances
- National Award for marketing excellence –Brand Revitalization Award
- National Award for marketing excellence –Award for Marketing Excellence in Kitchenware Sector
- International Brand Consulting Corporation – India's Most Trusted Companies Award 2019

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### A. ECONOMY / INDUSTRY SCENARIO

The overall slowdown that was seen towards the end of FY 2018-19 continued to affect the growth prospects of many industries. The rural stress was further compounded by liquidity crisis due to NBFC crisis severely affecting the rural demand. Various measures taken by the Government to improve liquidity, credit expansion, infrastructure etc and the steep reduction on corporate tax rates resulted in some signs of recovery from January 2020. The bountiful monsoon also started providing impetus to the agricultural sector. Unfortunately, the COVID-19 pandemic that enveloped the globe since February 2020, spoiled the green shoots with the result that the overall GDP growth was at its lowest in the last two decades i.e. 4.3% . Agricultural performance and food grain stock are probably the only silver lining amidst dark clouds. This pandemic has thrown every economy in the world out of gear and it is very difficult to predict the return of normalcy in the near future in most of the global economies.

Your Company predominantly operates in the Kitchen Appliances segment with a wide range of product categories. The product categories broadly consist of Pressure Cookers, Cookware, Gas Stoves and Domestic Kitchen Electrical Appliances. Your Company entered the Cleaning solutions segment from FY 17-18. The market for all these segments consists of organized national brands, regional brands as well as unorganized players. Except for Pressure Cookers, Cookware and Induction Cooktops, the market for the rest of the key product lines is fragmented and is shared by several players. Over the last five years or so many players both big and small have been entering as well as exiting the appliance categories and the churn is still going on.

Continued perception of uncertainty in disposable income amongst core middle-class is giving room for down-trading/bundling of products of entry level price points by some regional brands and is distorting the market for entry level products. Uncertain economic conditions have made many a consumer, especially the middle-income group, to hold on to liquidity which is impacting the demand for value added products also. Competition within the modern format and online channels has led to entry of regional brands at low price points in these channels though affecting value propositions both in terms of revenue and profits for these channels.

Even in these difficult conditions your Company maintains its leadership position in key categories like Pressure Cookers, Cookware, Value added Gas Stoves, Induction Cook top, Rice Cookers, Kettles etc and is steadily improving its market share in the Mixer Grinder segment.

Going forward, proactive innovation and product differentiation coupled with innovative distribution will be the key to stay ahead in the marketplace.

### B. ANALYSIS OF PERFORMANCE:

#### 1. Kitchen & Home Appliances:

The products include Pressure Cookers, Cookware, Kitchen Electrical Appliances, Gas Stoves, and Home Appliances. The turnover of these product categories is given in the following table:

(₹ in Crores)

|                                                         | 2019-20        |              |                | 2018-19        |              |                |
|---------------------------------------------------------|----------------|--------------|----------------|----------------|--------------|----------------|
|                                                         | Domestic       | Export       | Total          | Domestic       | Export       | Total          |
| Pressure Cookers (including Microwave Pressure Cookers) | 573.78         | 22.41        | 596.19         | 614.56         | 31.16        | 645.72         |
| Cookware                                                | 274.16         | 17.53        | 291.69         | 283.72         | 17.89        | 301.61         |
| Gas Stoves                                              | 260.82         | 0.65         | 261.47         | 271.06         | 0.64         | 271.70         |
| Mixer Grinder                                           | 232.47         | 0.63         | 233.10         | 224.11         | 0.87         | 224.98         |
| Other Kitchen/ Home Appliances                          | 446.58         |              | 446.58         | 425.27         | 0.10         | 425.37         |
| Cleaning Solutions                                      | 34.00          |              | 34.00          | 27.79          | -            | 27.79          |
| Others                                                  | 73.09          | 0.67         | 73.76          | 70.07          | 0.78         | 70.85          |
| <b>Total</b>                                            | <b>1894.90</b> | <b>41.89</b> | <b>1936.79</b> | <b>1916.58</b> | <b>51.44</b> | <b>1968.02</b> |

- a. As mentioned earlier, the growth in sales was adversely affected largely by external factors like rural stress, general economic slowdown and Covid pandemic. Your

Company also tightened its trade policy with general trade as well as modern format stores in order to improve working capital efficiencies and information flow. This had a transient impact during the first 9 months of operations. Covid impact alone deprived sales of approximately ₹ 70 crores, the impact on absolute EBITDA margins being in the region of ₹ 20 crores. There was also an additional spend of over ₹ 7 crores in Advertisement and Promotions during the last quarter but could not be leveraged to get higher sales due to lockdown.

- b. The new category of Cleaning Solutions is progressing satisfactorily yielding expected growths. Your Company is yet to increase its footprint on a national basis.
- c. Not with standing Covid impact on sales and costs, various operating ratios were maintained at healthy levels ensuring EBITDA margin at 14.7% as against 15.8% in the previous year.
- d. Operating ROCE stood at 31.55% (PY 37.59%) on expanded manufacturing asset base which are yet to be optimally utilised. Your Company continued to be debt free and carried a sizeable free cash balance at the year end.
- e. Your Company has over the last few years substantially reduced its dependence on imports which has a positive impact on working capital efficiencies. Gross current ratio remained steady at 2.93 times notwithstanding the Covid impact on receivables and inventories.
- f. During the year under report your Company introduced around 146 new SKUs covering Pressure Cookers, Induction Cook tops, Mixer Grinders, Rice Cookers, Gas Stoves and other Small Electric/Non-Electric Appliances and Cleaning Solutions. All these introductions received good response.
- g. Judge brand as a tactical brand is progressing well and contributed around ₹ 21 crores to Sales (PY ₹ 8 crores)
- h. Prestige Xclusive network was consolidated and rationalized where necessary and new outlets were added. The number of outlets as at 31.3.2020 was 588 (PY 569). The network now covers 26 States and 345 Towns. The spread of the network is also

evenly distributed between Metros, Mini-Metros, Tier 1, Tier 2 and Tier 3 cities.

- i. Service network was significantly expanded to 441 centres (PY - 391 centres).

#### C. OVERSEAS SUBSIDIARY & CONSOLIDATED RESULTS:

The operating subsidiary Horwood Homewares Limited (HHL) maintained its sales at £15 million against the backdrop of continued Brexit impact and COVID-19 pandemic impact. EBITDA was £0.7 million (PY £0.8 million). The subsidiary introduced new products and new category SMIDGE range and has enhanced its presence in online channels. The subsidiary has been performing better than most of its peers. During the year HHL has acquired Ecosoul life business through its new 51% subsidiary Horwood Life Limited. The consolidated financials are attached to this Annual Report separately. Your Company in the Consolidated Financials has recognized an impairment in the investments made by TTK British Holdings Ltd, our direct subsidiary in HHL to the extent of GBP 1.26 million, by way of prudence and abundant caution owing to the uncertainties caused in the UK market by COVID-19 pandemic. This is reflected in the consolidated financials attached to this Annual Report.

#### D. COVID-19'S IMPACT ON OPERATIONS, OUT LOOK & OPPORTUNITIES:

##### 1. Current Standpoint:

- a. As outlined earlier the impact on the 4<sup>th</sup> quarter performance was severe resulting in a loss in sale to the tune of ₹ 70 crores with an estimated loss in absolute EBITDA of around ₹ 20 crores. On the truncated sale your Company had to absorb idle overheads to the tune of ₹ 5 crores caused by shut down.
- b. There was no sales in April 2020, and primary sales started from 4<sup>th</sup> May 2020 on partial lifting of lockdown. On and after 6<sup>th</sup> May 2020 manufacturing operations started in all locations in compliance with the regulations applicable to each of the units. Till the date of this report only day shift is being operated.
- c. Corporate and commercial offices are functioning with 50% strength and the remaining 50% working from home.
- d. Company's Prestige Xclusive network started retail sales in non-containment zones from May 2020 and general trade was also opened with restricted timings in non-containment zones. The retail offtake from the outlets that are open has been satisfactory and is at the levels that prevailed before lockdown started.



- e. At the start of FY 20-21 adequate inventory was available at the trade level as well as at the company level to meet the end consumer demand.
  - f. Company's primary sales has also been picking up gradually and the sales during the month of June 2020 till the date of this report is better than the corresponding period of the previous year though your Company is servicing only 50% of the market. Currently your company is serving its exclusive network, general trade, company's own online and third-party online channels.
  - g. During the entire lockdown period your Company paid all its employees including contract workmen without any pay cuts and discharged all its statutory obligations and payments to all vendors within due dates. Over the past several years your Company has been prudent in application of its free cash and built sufficient cash reserves to meet exigencies as well as business expansion. This is helping your Company to tide over the current difficult business climate caused by Covid. As of the date of this report your Company carries free cash of ₹ 235 Crores.
  - h. Using this opportunity your Company has beefed up its IT strength and continued engagement with all its stakeholders digitally and revamped its layout in all manufacturing locations to yield better productivity and at the same time conforming to "social distancing" in workstations. During the lockdown period your Company conducted online people development programs for all levels of employees, including preparing for the new normal that is forced by the pandemic.
  - i. Your Company educated and supported the general trade channels and PXL network and oriented them to online booking of orders and home delivery so that not a single opportunity to sell is missed. In the same way, service network was also geared up to attend to all the pending service requests that accumulated in sizable numbers during the lockdown period.
  - j. Sales force have been trained and provided necessary IT support to deal with the trade partners digitally without the need to undertake the risk of travelling.
  - k. Export sale has also been picking up since last week of May 2020.
  - l. Your Company has over the last few years been actively pursuing 'Make In India' policy for appliances portfolio by fortifying local vendors thus reducing the dependence on imports from China to just 10% of total sales and even for these SKUs local vendors are being developed to be completely "Self-Reliant" in short time.
- 2. Current Standpoint:**
- a. Given the unrelenting spread of the pandemic and large-scale loss of jobs and vocations, the near-term outlook for the global economy is uncertain and growth prospects are bleak at the global and national level.
  - b. As your Company is in the home and kitchen appliance domain, the stress caused by lockdown in domestic kitchens, the need for improving kitchens and replacing appliances is likely to result in demand for such products. While demand arising out of gifting during marriage and other occasions could be minimal due to restrictions on gatherings, the replacement demand at homes is likely to increase. Further the reluctance to eat outside or order foods from outside is increasing the dependence on domestic kitchens. Working from home is going to be the order of day and this can give rise to demand for a host of home appliance. All these factors can enable sustaining business at levels that can generate decent profits after meeting all expenses.
  - c. Your Company has already put in place steps for improvement of efficiencies and management of critical costs to deliver decent profits even though growth may be impaired.
  - d. Your company is comparatively better placed owing to its brand salience, exclusive retail network across India besides strong presence in every other channel that reaches the end consumer. Your company is debt-free, and all its manufacturing and sourcing outfits are in operational conditions with adequate human resource and thus can increase supplies to the market at short notice.
  - e. From the macroeconomic point of view, the Government is planning to kick start infrastructure projects in rural areas to give employment to migrant workmen who have returned to their native States. This can give rise to rural penetration in the foreseeable

future. Your Company has already made a heads-start in rural penetration over the last couple of years.

- f. Overall private consumption cannot improve till restoration of the travel, tourism and hospitality sectors and preparedness of public at large to travel for business and pleasure. Even if the pandemic subsides in the near future, the resurgence of these sectors may take a longer time.
- g. There is an increased tendency among global brands to shift a significant portion of sourcing outside China and India is being looked upon as an alternative. Your Company's export customers are already looking for increasing their sourcing from your Company.
- h. The unsettled economic environment can lead to a churn in businesses in the form of corporate restructuring, exits and reorganizations that can lead to addition of new categories/consolidation of business in the hands of healthy players.

### 3. Impact on Medium & Long-Term Strategy:

- a. As mentioned in the last year report, your Company has adopted an expansive Vision – To Delight Home Makers with Innovation and To Make Company's products available at Every Home.
- b. Based on this vision your Company had developed strategies to increase its product base and customer base across India both rural and urban so as to double the turnover in about 5 years.
- c. Covid pandemic has become a speed breaker and it may take a year or two more to reach this milestone. The investment on innovation and search for inorganic opportunities are always on. The blueprint that has been prepared is still relevant and may require some tweaking in tune with the changed conditions.
- d. Shareholders are aware that your Company operates out of its core strengths of brand, innovation, design, manufacturing, distribution, sourcing, and service capabilities and more importantly 'Customer Engagement' and will continue its efforts to further fortify these strengths. For instance, your Company is already geared to launch 100 new SKUs in the market during FY 20-21 and the same will be timed keeping a watch on progressive relaxation of lockdown and

consumer sentiments. In order to expand high-end customer base with life-style kitchen and home appliances your Company has embarked upon creating a network of Prestige Lifestyle Stores during current FY. Two stores have already been opened in Bengaluru during June 2020.

- e. In the medium and long-term, your Company expects to maintain a healthy EBITDA margin and Return on Capital Employed subject to Covid pandemic subsiding during FY 21 itself.

### E. THREATS

While there are vast opportunities in the Domestic Market, threats can continue in the form of unorganized sector and irrational discounting by regional brands. As the entry barriers are low, any lag in innovation can impact growth. The proliferation of e-commerce companies, while helping us to grow, may also have some impact on gross margin but your Company pursues a dynamic cost management process to ensure healthy margins at EBITDA levels.

### F. RISKS AND CONCERNS

The various general economic risks and concerns which can impact your Company have already been outlined in the preceding sections. The concerns largely centre around external factors.

### G. RISK MANAGEMENT

Your Company has constituted a Risk Management Committee as required under SEBI (LODR) Regulations the details of which are provided in the Report on Corporate Governance.

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.

Your Company has a risk identification and management framework appropriate to the size of your Company and the environment under which it operates. The process involves identifying both external and internal risks and the readiness to respond to calamities and disasters.

Risks are being continuously identified in relation to business strategy, operations and transactions, statutory/legal compliance, financial reporting, information technology system and overall internal control framework.

Your Company is utilizing the services of independent professional management auditors for advising the Company on a continuous basis on contemporary risk management framework appropriate to the size and operations of the Company. They are also carrying out risk audit on a periodical basis.

Your Board is periodically reviewing the broad risk framework to ensure that there is a dynamic process to capture and measure key elements of risks.

#### **H. SHARE CAPITAL**

The paid-up equity share capital as on 31<sup>st</sup> March 2020 was ₹ 13.86 Crores (PY ₹ 11.56 Crores). The increase in paid-up capital was on account of allotment of 23,10,233 bonus shares of face value of ₹ 10 each made in May 2019.

The Authorised Capital remains the same i.e. ₹ 15 crores divided into 1,50,00,000 equity shares of ₹ 10 each.

#### **I. FINANCES**

Your Company continues to generate substantial post-tax operating free cash flows and the same have been applied to meet capital expenditure besides other uses including investments in the UK Subsidiary, retirement of debt and payment of dividend. Your Company on a standalone basis continued to be debt-free and at the end of the year carried cash and liquid investments of around ₹ 365 Crores after further investments in the UK subsidiary to the tune of ₹ 44.48 Crores.

#### **J. CAPITAL EXPENDITURE PLANS**

Pursuant to overall Long-Range Plan provision of ₹ 200 crore capex over three years, your Company has spent about ₹ 70 crores in FY 19-20 by and large completing the envisaged plan. No major capital expenditure other than normal maintenance capex is slated for FY 21.

#### **K. INVESTMENTS**

During the year, your Company invested an additional amount of ₹ 44.48 Crores in the wholly owned UK subsidiary. Other than this your Company carries short-term investments in mutual funds as a part of treasury operations as mentioned in para I.

#### **I. INTERNAL CONTROL SYSTEMS**

Your Company has necessary Internal Control Systems in place which is commensurate with the size, scale, and complexity of its operations. Your Company is continuously making improvements in internal control systems keeping in view the increasing level of activities. Independent team of Internal Auditors/Management Auditors are carrying out internal audits and advising the management on strengthening of internal control systems. The reports are periodically discussed internally. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

#### **M. DEVELOPMENTS IN HUMAN RESOURCES**

In line with the Long-Range Plan, your Company has implemented strategic HR initiatives covering

competency development, talent management, leadership development, succession management etc. The in-house Human Resource Department is constantly being strengthened. A host of people development programmes are put in place on a continuous basis.

The industrial relations across all the manufacturing units has been by and large cordial. Long term settlement was concluded during the year for Hosur Unit.

The direct employment strength stood at 1443 as compared to 1463 in the previous year.

#### **FIXED DEPOSIT**

Your Company is neither inviting or accepting Deposits from public or shareholders and hence there are no deposits outstanding or remaining unpaid as at the end of 31<sup>st</sup> March 2020.

#### **DIVIDEND**

Considering the uncertainty caused by COVID-19, your Directors consider it prudent to recommend a lesser rate of dividend at ₹ 20 per share (PY ₹ 30 per share).

#### **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 various 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.

#### **CORPORATE GOVERNANCE**

Report on Corporate Governance is separately presented as part of the Annual Report.

#### **BUSINESS RESPONSIBILITY REPORT**

Your Company now forms part of the Top 500 listed companies of India and is mandatorily required to provide a Business Responsibility Report as part of the Annual Report in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. This report is separately presented as part of this Annual Report.

#### **LISTING**

Your Company's shares are listed in the BSE Limited (BSE) Mumbai and National Stock Exchange of India Limited (NSE), Mumbai and the applicable listing fees have been paid.

## FURTHER DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER:

### (a) Extract of Annual Return:

Extract of Annual Return (Form MGT-9) is enclosed as Annexure A

### (b) Number of Meetings of the Board:

The Board of Directors met five- times during the year 2019-20. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance.

### (c) Corporate Social Responsibility(CSR) Committee:

As per the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, your Company has in place a Corporate Social Responsibility Committee which comprises of Mr. T.T. Jagannathan as Chairman and Mr. R. Srinivasan, Mr. K.Shankaran as Members.

The Corporate Social Responsibility (CSR) Policy enumerating the CSR activities to be undertaken by the Company, in accordance with Schedule VII to the Companies Act, 2013 as adopted by the Board is available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com). The Annual Report under CSR Activities is annexed to this report as Annexure B.

The details relating to the meetings convened, etc. are furnished in the Report on Corporate Governance.

### (d) Composition of Audit Committee:

The Audit Committee comprises of Mr. Dileep Krishnaswamy as Chairman, and Mr. R Srinivasan and Mr. Arun K.Thiagarajan as Members. All the members are Independent Directors.

Mr. K. Shankaran Wholetime Director & Secretary is the Secretary of the Committee. More details on the Committee are given in the Report on Corporate Governance.

### (e) Related Party Transactions:

During the year under review, no transaction of material nature has been entered into by the Company with its Promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have a potential conflict with the interests of the Company.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of unforeseen or repetitive nature. A Statement giving details of the transactions entered into with the related

parties, pursuant to the omnibus approval so granted, is placed before the Audit Committee and the Board of Directors for their approval/ ratification on a quarterly basis.

The Register of Contracts containing transactions, in which directors are interested, is placed before the Audit Committee / Board regularly.

The Board of Directors of the Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Policy as approved by the Board is uploaded on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com).

The details of the Related Party Transactions in Form AOC-2 are annexed as Annexure C to this Report.

### (f) Directors and Key Managerial Personnel:

None of the Directors is disqualified from being appointed or holding office as Directors, as stipulated under Section 164 of the Companies Act, 2013.

#### (i) Appointment/Re-appointment of Directors:

- (a) Mr. T.T. Mukund is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.
- (b) Mr. K. Shankaran Wholetime Director & Secretary was appointed as Wholetime Director & Secretary for a period of 5 years from 01.04.2019 by means of a special resolution passed through postal ballot/ e-voting on 3<sup>rd</sup> May 2019.
- (c) Mr. T.T. Jagannathan who was appointed as Whole-time director, designated as Executive Chairman for a period of 5 years from 01.06.2018, stepped down from the office of Whole-time Director, effective from 01.04.2019 but continue as Non-executive Chairman from 01.04.2019 for the remaining tenure of his appointment with reduced terms of remuneration. Necessary special resolution was passed by the Shareholders through postal ballot/e-voting on 3<sup>rd</sup> May 2019.
- (d) Mr. Dhruv Moondhra was appointed as Independent Director for a period of 5 years from 01.04.2019 by a resolution of

shareholders passed through postal ballot/ e-voting on 3<sup>rd</sup> May 2019.

- (e) Mr. Arun Thiagarajan, Mr. Dileep Kumar Krishnaswamy, Dr. (Mrs.) Vandana Walvekar and Mr. Murali Neelakantan, all Independent Directors were re-appointed for a period of 5 years from 25.03.2020 by means of special resolutions passed at Annual General Meeting held on 12<sup>th</sup> August 2019.

- (f) The Board of Directors have re-appointed Mr. Chandru Kalro as Managing Director and CEO for a period of 5 years from 01.04.2020 and the same was approved by the Shareholders at the Annual General Meeting held on 12<sup>th</sup> August 2019.

**(ii) Statement on Declaration by the Independent Directors of the Company:**

All the Independent Directors of the Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and conditions of appointment of the Independent Directors are posted on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**(iii) Key Managerial Personnel (KMP):**

The following managerial personnel are Key Managerial Personnel (KMP):

- Mr. Chandru Kalro, Managing Director as Chief Executive Officer (CEO)
- Mr. K. Shankaran, Wholetime Director & Secretary
- Mr. V. Sundaresan, Senior Vice President - Finance as Chief Financial Officer (CFO).

**(iv) Performance Evaluation of the Board, its Committees and Separate meeting of Independent Directors:**

In compliance with the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. During the year, 3 separate meetings of Independent Directors were held to consider various aspects of management of the Company as well as to review the performance of the Board, its committees,

and non-independent Directors. More details on the same are given in the Report on Corporate Governance. The Board evaluation for FY 19-20 was completed at the Meeting held in June 2020 within the extended time permitted by the notifications issued the regulatory authorities on account of COVID-19 causing disruptions in holding meetings in March 2020.

**(v) Remuneration Policy:**

Your Company follows a policy on remuneration of Directors and Senior Management. The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The remuneration (including all components) to senior management that i.e. till one level below the CEO including functional heads are as approved by the Nomination and Remuneration Committee and the Board. More details on the same are given in the Report on Corporate Governance.

**(g) Auditors**

**(i) Statutory Auditors and their Report:**

M/s. PKF Sridhar & Santhanam LLP have carried out the Audit for the financial year under review.

The Auditors' Report to the Shareholders for the year under review does not contain any qualifications.

**(ii) Cost Auditor and Cost Audit Report:**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Cost Records of the Company relating to "Stainless Steel Pressure Cookers and Cookware" are required to be audited.

The Board of Directors, on the recommendation of the Audit Committee, appointed Mr. V. Kalyanaraman as Cost Auditor of the Company, for the financial year 2019-20 and fixed his remuneration.

Mr. V. Kalyanaraman has confirmed that his appointment is within the limits of the Section 141 of the Companies Act, 2013 and has also certified that he is free from any disqualifications specified under the provisions of Section 141 of the Companies Act, 2013.

The Audit Committee also received a Certificate from the Cost Auditor certifying the independence and arm's length relationship with the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, the approval of the Members is sought by means of an Ordinary Resolution for the remuneration payable to Mr. V. Kalyanaraman, Cost Auditor, under Item No.4 of the Notice convening the Annual General Meeting.

The Cost Audit Report for the year ended 31<sup>st</sup> March 2020 will be placed before the Audit Committee and the Board Of Directors of the Company and filed on or before the due date.

**(iii) Secretarial Auditor and Secretarial Audit Report:**

The Board had appointed Mr. Parameshwar G. Hegde, Company Secretary in Whole-time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2019-20. The Report of the Secretarial Auditor in Form MR-3 is annexed to this report as Annexure "G". The report does not contain any qualification.

**(h) Transfer to Investor Education and Protection Fund:**

• **Unclaimed Dividends for the year ended 31st March 2011:**

Your Company has transferred a sum of ₹ 12,70,740 during the financial year 2019-20 to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 205C (2) of the Companies Act, 1956. The said amount represents the unclaimed dividends for the year ended 31st March 2011, which were lying unclaimed with the Company for a period of seven years from their respective due dates of payment.

• **Transfer of Shares to the Demat Account of the IEPF Authority:**

In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and as amended from time to time, your Company transferred 4405 Equity

Shares of ₹ 10 each fully paid-up, in respect of which the dividends unclaimed / unpaid for a period of seven consecutive years.

**(i) Disclosure with respect to Demat suspense account / unclaimed suspense account:**

Your Company does not have any Unclaimed Shares.

**(j) Conservation of Energy:**

The prescribed under Rule 8(3) of The Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are furnished in the Annexure D to this Report.

**(k) Particulars of Employees:**

The information required under Section 197 of the Companies Act, 2013 and the Rules made thereunder are annexed to this Report as Annexure E & Annexure F.

**(l) Subsidiary Company:**

Your Company has an overseas subsidiary by name TTK British Holdings Limited (TTK Brit) which was incorporated in the United Kingdom on 24<sup>th</sup> March 2016 and capitalized during the FY 16-17. TTK British Holdings Ltd. entire share capital of Horwood Homewares Limited which is the operating subsidiary. During the year Horwood Homewares Limited established a subsidiary Horwood Life Limited in which it holds 51% equity. This subsidiary was formed to acquire Ecosoul life business in Australia.

Pursuant to Sec.129(3) of Companies Act, 2013, the Consolidated Financial Statements are attached to this Annual Report. The particulars of all the subsidiaries in the prescribed format AOC- 1 is also attached to the financial statements. In accordance with Sec.136 of the Companies Act, 2013, the Financial Statements of each of the subsidiaries are available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**(m) Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013:**

During the year, your Company had not given any loan, provided any guarantee or made any investment under Section 186 of the Companies Act, 2013 except for investments made in the equity capital of the wholly owned UK subsidiary TTK British Holdings Limited to the extent of GBP 5 million. Your Company holds 1440 equity shares of ₹ 10 each in TTK Healthcare Limited and 18,700,000 shares of GBP 1 each in TTK British Holdings Limited.



**(n) Significant and Material Orders passed by the Regulators or Courts:**

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**(o) Whistle Blower Policy:**

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and also SEBI (LODR) Regulations, 2015, your Company has in place a vigil mechanism termed as Whistle Blower Policy, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy or Insider Trading Policy, which also provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Corporate Governance Officer/Chairman of the Audit Committee/ Chairman of the Board in exceptional cases.

The Whistle Blower Policy is made available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**(p) Obligation of your Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Your Company has adopted a policy for prevention of Sexual Harassment of Women at Workplace and has constituted the necessary Committee(s) for implementation of the said policy and deal with any complaints. During the year 2019-20, there were no complaints. Your Company regularly conducts awareness programmes across its units in this regard.

**(q) Registered Office:** There has been no change in the location of the Registered Office of your Company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Sec.134 (5) read with Sec.134 (3)(c) of the Companies Act, 2013 your Directors confirm

- that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**ACKNOWLEDGEMENTS**

Your Directors deeply appreciate and acknowledge the significant and continued co-operation given to your Company by the Bankers, Financial Institutions and the employees of the Company.

Date: 25<sup>th</sup> June, 2020

Place : Bengaluru

For and on behalf of the Board

**(T.T. JAGANNATHAN)**

Chairman

Registered Office:

Plot No.38, SIPCOT Industrial Complex,  
Hosur – 635 126  
Tamil Nadu

**ANNEXURE - A****FORM NO.MGT-9****EXTRACT OF ANNUAL RETURN****As on the Financial Year Ended 31<sup>st</sup> March, 2020****[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

| <b>I. REGISTRATION AND OTHER DETAILS</b> |                                                                           |   |                                                                                                                                                                                                                          |
|------------------------------------------|---------------------------------------------------------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)                                      | CIN                                                                       | : | L85110TZ1955PLC015049                                                                                                                                                                                                    |
| (ii)                                     | Registration Date                                                         | : | 22 <sup>nd</sup> October, 1955                                                                                                                                                                                           |
| (iii)                                    | Name of the Company                                                       | : | TTK PRESTIGE LIMITED                                                                                                                                                                                                     |
| (iv)                                     | Category / Sub-Category of the Company                                    | : | Company having Share Capital                                                                                                                                                                                             |
| (v)                                      | Address of the Registered Office and Contact Details                      | : | No.38, SIPCOT Industrial Complex, Hosur 635 126<br>Tel: 04344 –276 655 / 755                                                                                                                                             |
| (vi)                                     | Whether Listed Company                                                    | : | Yes                                                                                                                                                                                                                      |
| (vii)                                    | Name, Address and Contact details of Registrar and Transfer Agent, if any | : | M/s KFin Technologies Private Limited<br>(formerly Karvy Fintech Private Limited)<br>Karvy Selenium Tower B, Plot 31-32, Gachibowli<br>Financial District, Nanakramguda, Hyderabad – 500 032<br>Phone Nos: 040 6716 1653 |

| <b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>                                                    |                                                 |                                 |                                    |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------|------------------------------------|
| All the business activities contributing 10% or more of the total turnover of the Company shall be stated: |                                                 |                                 |                                    |
| Sl. No.                                                                                                    | Name and Description of main products /services | NIC Code of the Product/Service | % to total turnover of the Company |
| (1)                                                                                                        | Pressure Cookers                                | 25994                           | 30.78                              |
| (2)                                                                                                        | Cookware                                        | 25994                           | 15.06                              |
| (3)                                                                                                        | Gas Stove                                       | 27504                           | 13.50                              |
| (4)                                                                                                        | Mixer                                           | 27501                           | 12.03                              |

| <b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b> |                                                                             |          |                                                  |                  |                    |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------|--------------------------------------------------|------------------|--------------------|
| Sl. No.                                                                | Name and Address of the Company                                             | CIN/ GLN | Holding/Subsidiary/ Associate                    | % of Shares held | Applicable Section |
| 1                                                                      | TTK British Holdings Limited,<br>Avonmouth Way, United Kingdom,<br>BS11 9HX |          | Subsidiary                                       | 100              | Section 2(87)      |
| 2                                                                      | Horwood Homewares Limited,<br>Avonmouth Way, United Kingdom,<br>BS11 9HX    |          | Subsidiary of TTK<br>British Holdings<br>Limited | 100              | NA                 |
| 3                                                                      | Horwood Life Limited<br>Avonmouth Way, United Kingdom,<br>BS11 9HX          |          | Subsidiary<br>of Horwood<br>Homewares Limited    | 51               | NA                 |


**IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Shareholding:**

| Category of Shareholders      |                                                                                  | No. of Shares held at the beginning of the year |            |                |                   | No. of Shares held at the end of the year |            |                |                   | % Change during the year |
|-------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------|------------|----------------|-------------------|-------------------------------------------|------------|----------------|-------------------|--------------------------|
|                               |                                                                                  | Demat                                           | Physical   | Total          | % of Total Shares | Demat                                     | Physical   | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>           |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| <b>1 Indian</b>               |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| (a)                           | Individual / HUF                                                                 | 1147899                                         | -          | 1147899        | 9.94              | 1377447                                   | -          | 1377447        | 9.94              | -                        |
| (b)                           | Central Govt.                                                                    | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (c)                           | / State Govt(s)                                                                  | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (d)                           | Bodies Corporate<br>TTK Healthcare Limited                                       | 14800                                           | -          | 14800          | 0.13              | 17760                                     | -          | 17760          | 0.13              | -                        |
| (e)                           | Financial Institutions/<br>Banks                                                 | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (f)                           | Any Other                                                                        | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
|                               | T.T. Krishnamachari &<br>Co. represented by its<br>Partners                      | 6970334                                         | -          | 6970334        | 60.34             | 8364400                                   | -          | 8364400        | 60.34             | -                        |
|                               | <b>Sub-Total (A)(1)</b>                                                          | <b>8133033</b>                                  | <b>-</b>   | <b>8133033</b> | <b>70.41</b>      | <b>9759607</b>                            | <b>-</b>   | <b>9759607</b> | <b>70.41</b>      | <b>-</b>                 |
| <b>2 Foreign</b>              |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| (a)                           | NRIs – Individuals                                                               | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (b)                           | Other – Individuals                                                              | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (c)                           | Bodies Corporate                                                                 | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (d)                           | Banks / FI                                                                       | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (e)                           | Any other                                                                        | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
|                               | <b>Sub-total (A)(2)</b>                                                          | <b>-</b>                                        | <b>-</b>   | <b>-</b>       | <b>-</b>          | <b>-</b>                                  | <b>-</b>   | <b>-</b>       | <b>-</b>          | <b>-</b>                 |
|                               | <b>Total Shareholding of<br/>Promoter (A) = (A)(1)<br/>+ (A)(2)</b>              | <b>8133033</b>                                  | <b>-</b>   | <b>8133033</b> | <b>70.41</b>      | <b>9759607</b>                            | <b>-</b>   | <b>9759607</b> | <b>70.41</b>      | <b>-</b>                 |
| <b>B. Public Shareholding</b> |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| <b>1 Institutions</b>         |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| (a)                           | Mutual Funds                                                                     | 1014434                                         | 100        | 1014534        | 8.78              | 1442457                                   | 120        | 1442577        | 10.41             | 1.63                     |
| (b)                           | Banks and FIs                                                                    | 2549                                            | 100        | 2649           | 0.02              | 6897                                      | 120        | 7017           | 0.05              | 0.03                     |
| (c)                           | Central Government                                                               | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (d)                           | State Government                                                                 | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (e)                           | Venture Capital Funds                                                            | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (f)                           | Insurance Companies                                                              | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (g)                           | Foreign Institutional<br>Investors (Portfolio<br>investors)                      | 1152753                                         | -          | 1152753        | 9.98              | 1363977                                   | -          | 1363977        | 9.84              | (0.14)                   |
| (h)                           | Foreign Venture Capital<br>Funds                                                 |                                                 |            |                |                   |                                           |            |                |                   |                          |
| (i)                           | Others (specify) Foreign<br>Nationals                                            | 74                                              | -          | 74             | -                 | 145                                       | -          | 145            | -                 | -                        |
|                               | <b>Sub-Total (B)(1)</b>                                                          | <b>2169810</b>                                  | <b>200</b> | <b>2170010</b> | <b>18.78</b>      | <b>2813476</b>                            | <b>240</b> | <b>2813716</b> | <b>20.30</b>      | <b>1.52</b>              |
| <b>2 Non-Institutions</b>     |                                                                                  |                                                 |            |                |                   |                                           |            |                |                   |                          |
| (a)                           | Bodies Corporates                                                                |                                                 |            |                |                   |                                           |            |                |                   |                          |
|                               | (i) Indian                                                                       | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
|                               | (ii) Overseas                                                                    | -                                               | -          | -              | -                 | -                                         | -          | -              | -                 | -                        |
| (b)                           | Individuals                                                                      |                                                 |            |                |                   |                                           |            |                |                   |                          |
| b(i)                          | Individual Shareholders<br>holding Nominal Share<br>Capital up to ₹ 1 lakh       | 710917                                          | 104337     | 815254         | 7.06              | 875075                                    | 105284     | 980359         | 7.07              | 0.01                     |
| b(ii)                         | Individual Shareholders<br>holding Nominal Share<br>Capital in excess of ₹1 lakh | 84283                                           | 20160      | 104443         | 0.90              | -                                         | 24192      | 24192          | 0.17              | (0.73)                   |
| (c)                           | Others (specify)                                                                 |                                                 |            |                |                   |                                           |            |                |                   |                          |
|                               | NBFCs                                                                            | 642                                             | -          | 642            | 0.01              | 184                                       | -          | 184            | -                 | (0.01)                   |
|                               | Bodies Corporate                                                                 | 210735                                          | 1100       | 211835         | 1.83              | 122791                                    | 1300       | 124091         | 0.90              | (0.93)                   |
|                               | CLEARING MEMBERS                                                                 | 10591                                           | -          | 10591          | 0.09              | 6172                                      | -          | 6172           | 0.04              | (0.05)                   |

| <b>IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b> |                                                        |                 |               |                 |               |                 |               |                 |               |               |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|---------------|
| <b>(i) Category-wise Shareholding:</b>                                                      |                                                        |                 |               |                 |               |                 |               |                 |               |               |
|                                                                                             | NON RESIDENT INDIANS                                   | 26028           | 100           | 26128           | 0.23          | 36567           | 120           | 36687           | 0.26          | 0.03          |
|                                                                                             | NRI (Non Repatriable)                                  | 9920            | -             | 9920            | 0.09          | 16170           | -             | 16170           | 0.12          | 0.03          |
|                                                                                             | TRUSTS                                                 | 294             | -             | 294             | 0.00          | 908             | -             | 908             | 0.01          | 0.01          |
|                                                                                             | IEPF                                                   | 41213           | -             | 41213           | 0.36          | 50198           | -             | 50198           | 0.36          | 0.00          |
|                                                                                             | Alternative Investment Fund                            | 27806           | -             | 27806           | 0.24          | 48978           | -             | 48978           | 0.35          | 0.11          |
|                                                                                             | Qualified Institutional Buyer                          | -               | -             | -               | -             | 140             | -             | 140             | -             | -             |
|                                                                                             | <b>Sub-Total (B)(2)</b>                                | <b>1122429</b>  | <b>125697</b> | <b>1248126</b>  | <b>10.81</b>  | <b>1157183</b>  | <b>130896</b> | <b>1288079</b>  | <b>9.29</b>   | <b>(1.52)</b> |
|                                                                                             | <b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b> | <b>3292239</b>  | <b>125897</b> | <b>3418136</b>  | <b>29.59</b>  | <b>3970659</b>  | <b>131136</b> | <b>4101795</b>  | <b>29.59</b>  | <b>-</b>      |
| <b>C.</b>                                                                                   | <b>Non Promoter – Non Public Shareholder</b>           |                 |               |                 |               |                 |               |                 |               |               |
|                                                                                             | Shares held by Custodians for GDRs/ADRs                | -               | -             | -               | -             | -               | -             | -               | -             | -             |
|                                                                                             | <b>Grand Total (A+B+C)</b>                             | <b>11425272</b> | <b>125897</b> | <b>11551169</b> | <b>100.00</b> | <b>13730266</b> | <b>131136</b> | <b>13861402</b> | <b>100.00</b> | <b>-</b>      |

| <b>(ii) Shareholding of Promoter</b> |                                                       |                                           |                                  |                                                  |                                     |                                  |                                                  |                                          |
|--------------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
| Sl. No.                              | Shareholder's Name                                    | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at the end of the year |                                  |                                                  | % Change in Shareholding during the year |
|                                      |                                                       | No. of Shares                             | % of Total Shares of the Company | % of Shares Pledged / encumbered to Total Shares | No. of Shares                       | % of Total Shares of the Company | % of Shares Pledged / encumbered to Total Shares |                                          |
| 1                                    | T.T. Krishnamachari & Co. represented by its Partners | 6970334                                   | 60.343                           | 0                                                | 8364400                             | 60.343                           | 0                                                | 0                                        |
| 2                                    | T.T. Jagannathan                                      | 357237                                    | 3.092                            | 0                                                | 428684                              | 3.092                            | 0                                                | 0                                        |
| 3                                    | T.T. Mukund                                           | 274830                                    | 2.379                            | 0                                                | 329766                              | 2.379                            | 0                                                | 0                                        |
| 4                                    | T.T. Venkatesh                                        | 267003                                    | 2.311                            | 0                                                | 320403                              | 2.311                            | 0                                                | 0                                        |
| 5                                    | T.T. Lakshman                                         | 246829                                    | 2.137                            | 0                                                | 296194                              | 2.137                            | 0                                                | 0                                        |
| 6                                    | TTK Healthcare Limited                                | 14800                                     | 0.128                            | 0                                                | 17760                               | 0.128                            | 0                                                | 0                                        |
| 7                                    | T.T. Raghunathan                                      | 2000                                      | 0.017                            | 0                                                | 2400                                | 0.017                            | 0                                                | 0                                        |
|                                      | <b>Total</b>                                          | <b>8133033</b>                            | <b>70.407</b>                    | <b>0</b>                                         | <b>9759607</b>                      | <b>70.407</b>                    | <b>0</b>                                         | <b>0</b>                                 |

| <b>(iii) Change in Promoters' Shareholding (Please specify, if there is no change)</b> |                                                       |                                           |                                  |                   |                                         |                                  |
|----------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|-------------------|-----------------------------------------|----------------------------------|
|                                                                                        |                                                       | Shareholding at the beginning of the year |                                  | Changes, if any * | Cumulative Shareholding during the Year |                                  |
|                                                                                        |                                                       | No. of shares                             | % of total shares of the company |                   | No. of shares                           | % of total shares of the company |
| 1                                                                                      | T.T. Krishnamachari & Co. represented by its Partners | 6970334                                   | 60.343                           | 1394066           | 8364400                                 | 60.343                           |
| 2                                                                                      | Mr. T.T. Jagannathan                                  | 357237                                    | 3.092                            | 71447             | 428684                                  | 3.092                            |
| 3                                                                                      | Mr. T.T. Mukund                                       | 274830                                    | 2.379                            | (24)              | 329766                                  | 2.379                            |
|                                                                                        | Sold Bonus                                            |                                           |                                  | 54960             |                                         |                                  |
| 4                                                                                      | Mr. T.T. Venkatesh                                    | 267003                                    | 2.311                            | 53400             | 320403                                  | 2.311                            |
| 5                                                                                      | Mr. T.T. Lakshman                                     | 246829                                    | 2.137                            | 49365             | 296194                                  | 2.137                            |
| 6                                                                                      | TTK Healthcare Limited                                | 14800                                     | 0.128                            | 2960              | 17760                                   | 0.128                            |
| 7                                                                                      | T.T. Raghunathan                                      | 2000                                      | 0.017                            | 400               | 2400                                    | 0.017                            |

\* Bonus equity shares issued during May 2019 in the ratio of 1:5

| (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): |                                                    |                                           |                                  |                                     |                                  |                        |                                  |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|------------------------|----------------------------------|
| Sl. No.                                                                                                           | For each of the Top 10 Shareholders                | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  | Change in shareholding |                                  |
|                                                                                                                   |                                                    | No. of Shares                             | % of Total Shares of the Company | No. of Shares                       | % of Total Shares of the Company | No. of Shares          | % of Total Shares of the Company |
| 1                                                                                                                 | Axis Mutual Fund Trustee Limited                   | 926138                                    | 8.02                             | 1049847                             | 7.57                             | 123709                 | 0.45                             |
| 2                                                                                                                 | Nalanda India Equity Fund Limited                  | 403465                                    | 3.49                             | 484158                              | 3.49                             | 80693                  | 0                                |
| 3                                                                                                                 | Franklin India Smaller Companies Fund              | 0                                         | 0                                | 155505                              | 1.12                             | 155505                 | 1.12                             |
| 4                                                                                                                 | Wellington Trust Company, National Association     | 127168                                    | 1.10                             | 104995                              | 0.76                             | (22173)                | (0.34)                           |
| 5                                                                                                                 | Catamaran Advisors LLP                             | 104744                                    | 0.91                             | 0                                   | 0                                | (104744)               | (0.91)                           |
| 6                                                                                                                 | SBI small cap Fund                                 | 0                                         | 0                                | 92500                               | 0.67                             | 92500                  | 0.67                             |
| 7                                                                                                                 | Schroder International Selection Fund              | 91087                                     | 0.79                             | 108952                              | 0.79                             | 17865                  | 0                                |
| 8                                                                                                                 | Emblem FII                                         | 79121                                     | 0.68                             | 94945                               | 0.68                             | 15824                  | 0                                |
| 9                                                                                                                 | Sundaram Mutual Fund                               | 67693                                     | 0.59                             | 60000                               | 0.43                             | 7693                   | (0.16)                           |
| 10                                                                                                                | Ishares Core Emerging Markets Mauritius Co         | 63931                                     | 0.55                             | 60160                               | 0.43                             | 3771                   | (0.12)                           |
| 11                                                                                                                | Suresh Kumar Agarwal                               | 55283                                     | 0.48                             | 0                                   | 0                                | (55283)                | (0.48)                           |
| 12                                                                                                                | Tata Aia Life Insurance Co Ltd Unit Linked India C | 50000                                     | 0.43                             | 64550                               | 0.47                             | 14550                  | 0.04                             |

| (v) Shareholding of Directors and Key Managerial Personnel (KMP): |                                         |                                           |                                  |                   |                                         |                                  |
|-------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|----------------------------------|-------------------|-----------------------------------------|----------------------------------|
|                                                                   |                                         | Shareholding at the beginning of the year |                                  | Changes, if any * | Cumulative Shareholding during the Year |                                  |
|                                                                   |                                         | No. of shares                             | % of total shares of the company |                   | No. of shares                           | % of total shares of the company |
| 1                                                                 | Mr. T.T. Jagannathan - Chairman         | 357237                                    | 3.092                            | 71447             | 428684                                  | 3.092                            |
| 2                                                                 | Mr. T.T. Raghunathan – Vice Chairman    | 2000                                      | 0.017                            | 400               | 2400                                    | 0.017                            |
| 3                                                                 | Mr. Chandru Kalro – Managing Director   | 100                                       | -                                | 20                | 120                                     | -                                |
| 4                                                                 | Mr. K Shankaran – Secretary & Director  | 1342                                      | 0.011                            | 268               | 1610                                    | 0.011                            |
| 5                                                                 | Dr.(Mrs.) Vandana Walvekar - Director   | 1172                                      | 0.010                            | 234               | 1406                                    | 0.010                            |
| 6                                                                 | Mr. T.T. Mukund<br>Sold Bonus           | 274830                                    | 2.379                            | (24)<br>54960     | 329766                                  | 2.379                            |
| 7                                                                 | Mr. Arun Thiagarajan<br>Purchased Bonus | 490                                       | 0.004                            | 1400<br>98        | 1988                                    | 0.014                            |

\* Includes Bonus Equity shares issued during May 2019 in the ratio of 1:5

**V. INDEBTEDNESS**

(₹ In lakhs)

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

| Particulars                                          |                              | Secured Loans<br>excluding<br>Deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|------------------------------------------------------|------------------------------|----------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year: |                              |                                        |                    |          |                       |
| (i)                                                  | Principal Amount             | 0                                      | 0                  | 0        | 0                     |
| (ii)                                                 | Interest due but not paid    | 0                                      | 0                  | 0        | 0                     |
| (iii)                                                | Interest accrued but not due | 0                                      | 0                  | 0        | 0                     |
| <b>Total (i) + (ii) + (iii)</b>                      |                              | <b>0</b>                               | <b>0</b>           | <b>0</b> | <b>0</b>              |
| Change in Indebtedness during the financial year:    |                              |                                        |                    |          |                       |
|                                                      | Addition                     | 0                                      | 0                  | 0        | 0                     |
|                                                      | Reduction                    | 0                                      | 0                  | 0        | 0                     |
| <b>Net Change</b>                                    |                              | <b>0</b>                               | <b>0</b>           | <b>0</b> | <b>0</b>              |
| Indebtedness at the end of the financial year        |                              |                                        |                    |          |                       |
| (i)                                                  | Principal Amount             | 0                                      | 0                  | 0        | 0                     |
| (ii)                                                 | Interest due but not paid    | 0                                      | 0                  | 0        | 0                     |
| (iii)                                                | Interest accrued but not due | 0                                      | 0                  | 0        | 0                     |
| <b>Total (i) + (ii) + (iii)</b>                      |                              | <b>0</b>                               | <b>0</b>           | <b>0</b> | <b>0</b>              |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ In lakhs)

| Sl.<br>No. | Particulars of Remuneration                                                     | Name of MD / WTD / Manager                        |                                                         | Total Amount  |
|------------|---------------------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------|---------------|
|            |                                                                                 | Mr. Chandru Kalro<br>(Managing Director<br>& CEO) | Mr. K. Shankaran<br>(Wholetime Director<br>& Secretary) |               |
| (1)        | Gross Salary                                                                    |                                                   |                                                         |               |
| (a)        | Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 109.56                                            | 87.66                                                   | 197.22        |
| (b)        | Value of perquisites u/s 17(2) of Income-tax Act, 1961                          | 23.26                                             | 18.98                                                   | 42.24         |
| (c)        | Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961                     | -                                                 | -                                                       | -             |
| (2)        | Stock Option                                                                    | -                                                 | -                                                       | -             |
| (3)        | Sweat Equity                                                                    | -                                                 | -                                                       | -             |
| (4)        | Commission                                                                      | 213.68                                            | 200.33                                                  | 414.01        |
|            | As % of Profit                                                                  | -                                                 | -                                                       | -             |
|            | Others, specify                                                                 | -                                                 | -                                                       | -             |
| (5)        | Others, please specify                                                          | -                                                 | -                                                       | -             |
|            | <b>Total</b>                                                                    | <b>346.50</b>                                     | <b>306.97</b>                                           | <b>653.47</b> |



| B.     | Remuneration to Other Directors:            |              |       |       |       |       |       | (₹ In lakhs) |
|--------|---------------------------------------------|--------------|-------|-------|-------|-------|-------|--------------|
| Sl.No. | Particulars of Remuneration                 | Total Amount |       |       |       |       |       |              |
| (1)    | Independent Directors                       | RS           | VW    | AKT   | MN    | DKK   | Dhruv | Total Amount |
|        | Fee for attending Board, Committee Meetings | 5.00         | 2.50  | 5.00  | 3.00  | 5.00  | 2.50  | 23.00        |
|        | Commission                                  | 19.00        | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 114.00       |
|        | Others, please specify                      | -            | -     | -     | -     | -     | -     | -            |
|        | Total (1)                                   | 24.00        | 21.50 | 24.00 | 22.00 | 24.00 | 21.50 | 137.00       |
| (2)    | Other Non-Executive Directors               | TTJ          | TTR   | TTM   |       |       |       |              |
|        | Fee for attending Board, Committee Meetings | 3.00         | 1.50  | 2.50  |       |       |       | 7.00         |
|        | Commission                                  | 534.21       | 19.00 | 19.00 |       |       |       | 572.21       |
|        | Others, please specify                      | 63.49        | -     | -     |       |       |       | 63.49        |
|        | Total (2)                                   | 600.70       | 20.50 | 21.50 |       |       |       | 642.70       |
|        | Total (B) = (1) + (2)                       | 624.70       | 42.00 | 45.50 | 22.00 | 24.00 | 21.50 | 779.70       |
|        | Total Managerial Remuneration               | 1433.17      |       |       |       |       |       |              |
|        | Overall ceiling as per the Act              | 2938.16      |       |       |       |       |       |              |

RS - Mr. R. Srinivasan, VW - Dr. (Mrs.) Vandana R. Walvekar, AKT - Mr. Arun K. Thiagarajan, MN- Mr. Murali Neelakantan, DKK - Mr. Dileep K. Krishnaswamy, Dhruv – Mr. Dhruv Moondhra, TTJ - Mr. T. T. Jagannathan, TTR - Mr. T. T. Raghunathan, TTM - Mr T.T. Mukund

| <b>C. Remuneration to Key Managerial Personnel (KMP) other than MD / WTD / Manager:</b> |                                                                                 | <b>(₹ In lakhs)</b>                                                      |  |
|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------|--|
| 1                                                                                       | Particulars of Remuneration                                                     | Key Managerial Personnel<br>Mr. V. Sundaresan<br>Chief Financial Officer |  |
| (1)                                                                                     | <b>Gross Salary</b>                                                             |                                                                          |  |
| (a)                                                                                     | Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 106.40                                                                   |  |
| (b)                                                                                     | Value of perquisites u/s 17(2) of Income-tax Act, 1961                          | 6.37                                                                     |  |
| (c)                                                                                     | Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961                     | -                                                                        |  |
| (2)                                                                                     | Stock Option                                                                    | -                                                                        |  |
| (3)                                                                                     | Sweat Equity                                                                    | -                                                                        |  |
| (4)                                                                                     | Commission                                                                      |                                                                          |  |
|                                                                                         | As % of Profit                                                                  | -                                                                        |  |
|                                                                                         | Others, specify                                                                 | -                                                                        |  |
| (5)                                                                                     | Others, please specify                                                          | -                                                                        |  |
|                                                                                         | <b>Total</b>                                                                    | <b>112.77</b>                                                            |  |

| VII.                         | PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: |                   |                                                            |                             |                     |
|------------------------------|---------------------------------------------------|-------------------|------------------------------------------------------------|-----------------------------|---------------------|
| Type                         | Section of the Companies Act                      | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT COURT] | Appeal made, if any |
| A. COMPANY                   |                                                   |                   |                                                            |                             |                     |
| Penalty                      | NONE                                              |                   |                                                            |                             |                     |
| Punishment                   |                                                   |                   |                                                            |                             |                     |
| Compounding                  |                                                   |                   |                                                            |                             |                     |
| B. DIRECTORS                 |                                                   |                   |                                                            |                             |                     |
| Penalty                      | NONE                                              |                   |                                                            |                             |                     |
| Punishment                   |                                                   |                   |                                                            |                             |                     |
| Compounding                  |                                                   |                   |                                                            |                             |                     |
| C. OTHER OFFICERS IN DEFAULT |                                                   |                   |                                                            |                             |                     |
| Penalty                      | NONE                                              |                   |                                                            |                             |                     |
| Punishment                   |                                                   |                   |                                                            |                             |                     |
| Compounding                  |                                                   |                   |                                                            |                             |                     |

**ANNEXURE - B****ANNEXURE TO BOARD'S REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |                          |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------|
| 1. | <b>A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |                          |
|    | <p><b>CSR PHILOSOPHY AND POLICY:</b></p> <p>The Company considers society as an important stake-holder and shall discharge its responsibilities to the society proactively. The activities or projects that will be undertaken by the Company shall include one or more of the following as may be recommended by the CSR Committee and approved by the Board of Directors:</p> <ul style="list-style-type: none"> <li>• Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water;</li> <li>• Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;</li> <li>• Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward Groups;</li> <li>• Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;</li> <li>• Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;</li> <li>• Measures for the benefit of armed forces veterans, war widows and their dependents; Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;</li> <li>• Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio- economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;</li> <li>• Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;</li> <li>• Rural development projects.</li> <li>• Slum area development.</li> <li>• Such other projects as may be notified by the Government from time to time.</li> </ul> <p>The Company shall give preference to various local areas and areas around which the Company is carrying out its activities.</p> <p><b>Weblink:</b> <a href="https://www.ttkprestige.com/investor-relations/corporate-governance/Policies#">https://www.ttkprestige.com/investor-relations/corporate-governance/Policies#</a></p> |                                                 |                          |
| 2. | <b>The Composition of the CSR Committee:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |                          |
|    | Mr. T.T. Jagannathan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Chairman                                        | Chairman                 |
|    | Mr. R. Srinivasan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Member                                          | Independent Director     |
|    | Mr. K. Shankaran                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Member                                          | Non-Independent Director |
| 3. | Average Net Profit of the Company for the last three financial years:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |                          |
|    | Average Net Profit for the last three financial years 2016-17, 2017-18, 2018-19 ₹ 231.27 Crores                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |                          |
| 4. | <b>Prescribed CSR Expenditure (2% of the amount as in Item 3 above)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |                          |
|    | The Company is required to spend ₹ 4.63 Crores towards CSR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |                          |
| 5. | <b>Details of CSR spent during the financial year</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |                          |
|    | (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Total amount to be spent for the financial year | ₹ 4.63 Crores            |
|    | (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Amount unspent, if any                          | ₹ 0.03 Crore             |

(c) Manner in which the amount spent during the financial year is detailed below:

| Sl. No. | CSR Project or activity identified                       | Sector in which the Project is covered | Projects or programs (1) Local Area or other (2) specify the State and District where projects or programs was undertaken | Amount outlay (Budget) project or programs wise (₹ in Crs) | Amount spent on the projects or programs Subheads: Direct expenditure on projects or programs Overheads (₹ in Crs.) | Cumulative expenditure up to the reporting period (₹ in Crs) | Amount spent: Direct or through implementing agency (₹ in Crs) |
|---------|----------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|
| (1)     | (2)                                                      | (3)                                    | (4)                                                                                                                       | (5)                                                        | (6)                                                                                                                 | (7)                                                          | (8)                                                            |
| (i)     | Rehabilitation Research and Device Development           | Healthcare                             | Chennai, TamilNadu                                                                                                        | 3.68                                                       | 0.28                                                                                                                | 3.76                                                         | 0.28                                                           |
| (ii)    | Maintenance and expansion of Rural School                | Education                              | Thanjavur, TamilNadu                                                                                                      | 1.18                                                       | 0.70                                                                                                                | 0.70                                                         | 0.70                                                           |
| (iii)   | Project Instem                                           | Scientific Research                    | Bangalore Karnataka                                                                                                       | 1.50                                                       | 0.50                                                                                                                | 1.50                                                         | 0.50                                                           |
| (iv)    | Scientific Research by NCBS                              | Scientific Research                    | Bangalore Karnataka                                                                                                       | 1.50                                                       | 0.50                                                                                                                | 1.50                                                         | 0.50                                                           |
| (v)     | Treating the skull and facial deformities for children   | Healthcare                             | Bangalore Karnataka                                                                                                       | 0.15                                                       | 0.15                                                                                                                | 0.15                                                         | 0.15                                                           |
| (vi)    | Upgradation of Molecular Biology Lab                     | Healthcare                             | Bangalore Karnataka                                                                                                       | 0.90                                                       | 0.90                                                                                                                | 0.90                                                         | 0.90                                                           |
| (vii)   | Providing nutrition support to children from Rural areas | Nutrition                              | Karnataka                                                                                                                 | 0.23                                                       | 0.23                                                                                                                | 0.23                                                         | 0.23                                                           |
| (viii)  | Kerala Flood Relief                                      | Disaster Management Services           | Kerala                                                                                                                    | 0.26                                                       | 0.24                                                                                                                | 0.24                                                         | 0.24                                                           |
| (ix)    | Palliative care Advocacy & promotion programme           | Healthcare                             | Bangalore Karnataka                                                                                                       | 1.00                                                       | 1.00                                                                                                                | 1.00                                                         | 1.00                                                           |
| (x)     | HealthCare                                               | Healthcare                             | Bangalore                                                                                                                 | 0.10                                                       | 0.10                                                                                                                | 0.10                                                         | 0.10                                                           |
| (xi)    | Support for senior citizens                              | Healthcare                             | Bangalore                                                                                                                 | 0.0035                                                     | 0.0035                                                                                                              | 0.0035                                                       | 0.0035                                                         |
|         | <b>Total</b>                                             |                                        |                                                                                                                           | <b>10.50</b>                                               | <b>4.60</b>                                                                                                         | <b>10.08</b>                                                 | <b>4.60</b>                                                    |

**Details of Implementing Agency:**

|      |                                                      |       |                                                        |
|------|------------------------------------------------------|-------|--------------------------------------------------------|
| i.   | Indian Institute of Technology, Chennai              | ii.   | Swami Dayananda Saraswathi Education Trust, Manjakkudi |
| iii. | Tata Institute of Fundamental Research               | iv.   | Institute for Stem Cell Biology                        |
| v.   | Inga Health Foundation                               | vi.   | Bangalore Medical Services Trust, Bangalore            |
| vii. | Karnataka State Council for Child welfare, Karnataka | viii. | Samudra Shipyard                                       |
| ix.  | Samraksha Foundation, Bangalore                      | x.    | Manipal Foundation                                     |
| xi.  | Ashvasan Foundation, Bangalore                       |       |                                                        |

**6. In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount:**

Project completed at lesser cost than original estimate. The shortfall will be spent during the next year.

**7. A Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

Responsibility Statement of the CSR Committee

It is hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

**T.T. Jagannathan**  
Chairman  
CSR Committee

**ANNEXURE - C****FORM NO.AOC-2**

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of Contract / Arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

| Sl.No. | Particulars                                                                                                         | Details |
|--------|---------------------------------------------------------------------------------------------------------------------|---------|
| (a)    | Name(s) of the Related Party and nature of relationship                                                             | NIL     |
| (b)    | Nature of contracts / arrangements / transactions                                                                   | NIL     |
| (c)    | Duration of the contracts / arrangements / transactions                                                             | NIL     |
| (e)    | Salient terms of the contracts or arrangements or transactions including the value, if any.                         | NIL     |
| (f)    | Date(s) of approval by the Board                                                                                    | NIL     |
| (g)    | Amount paid as advances, if any                                                                                     | NIL     |
| (h)    | Date on which the special resolution was passed in General Meeting as required under first provision to Section 188 | NIL     |

**2. Details of contracts or arrangements or transactions at arm's length basis:**

| Sl.No. | Particulars                                                                                | Details                                                |                                  |                                                        |                                                                         |                 |
|--------|--------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------|-----------------|
| (a)    | Name(s) of the Related Party and nature of relationship                                    | TTK Healthcare Limited                                 | T.T. Krishnamachari & Co.        |                                                        |                                                                         |                 |
|        |                                                                                            | Four of the Directors as Directors                     | Two of the Directors as Partners |                                                        |                                                                         |                 |
| (b)    | Nature of contracts/ arrangements / transactions                                           | Sale of Goods                                          | Purchase of Goods                | Payment of License fee                                 | Payment of C&F charges                                                  | Cost sharing    |
| (c)    | Duration of the contracts / Arrangements / transactions                                    | As and when need arises, from time to time             |                                  | 01.11.2018 to 31.10.2023                               | 01.06.2019 to 1.05.2024                                                 | Not applicable  |
| (d)    | Salient terms of the contracts or arrangements or transactions including the value, if any | As mutually agreed based on prevailing trade practices |                                  | ½ % of Sales for using their registered monogram "ttk" | 2% of Sales for availing their services as Clearing & Forwarding Agents | Sharing of cost |
|        | Value (in ₹)                                                                               | 66,18,660                                              | -                                | 10,13,67,427                                           | 15,17,14,433                                                            | 7,09,503        |
| (e)    | Date(s) of approval by the Board, if any                                                   | -                                                      | -                                | 25.7.2018                                              | 28.1.2019                                                               | -               |
| (f)    | Amount paid as advance, if any                                                             |                                                        | -                                | -                                                      | -                                                                       | -               |

**Note:** The above amounts includes GST wherever applicable

Place : Bengaluru  
Dated : 25<sup>th</sup> June, 2020

For and on behalf of the Board  
(T.T. JAGANNATHAN)  
Chairman

## ANNEXURE - D

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO, ETC.

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2020

|     |                            |                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|-----|----------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|---------------|--|
| (A) | Conservation of Energy:    |                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (i)                        | Steps taken or impact on conservation of energy:                                                                         | The Company has taken several steps in the direction of energy conversation.<br>Over the years, the Company has installed solar panels in most of its manufacturing plant. A combined effluent Treatment plant & sewage treatment plant has been set up to ensure ZERO discharge of water outside the factory.<br>Water mapping is done & consumption is reduced. |      |               |  |
|     | (ii)                       | Steps taken by the Company for utilizing alternate sources of energy:                                                    |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (iii)                      | Capital Investment on energy conservation equipments:                                                                    |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
| (B) | Technology Absorption:     |                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (i)                        | Efforts made towards technology absorption:                                                                              | Not Applicable                                                                                                                                                                                                                                                                                                                                                    |      |               |  |
|     | (ii)                       | Benefits derived like product improvement, cost reduction, product development or import substitution:                   |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (iii)                      | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (a)                        | Details of technology imported                                                                                           |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (b)                        | Year of import                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (c)                        | Whether the technology been fully absorbed                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (d)                        | If not fully absorbed, areas where absorption has not taken place and the reasons thereof                                |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     | (iv)                       | Expenditure incurred on Research and Development                                                                         |                                                                                                                                                                                                                                                                                                                                                                   |      |               |  |
|     |                            |                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                   |      | (₹ in Crores) |  |
|     | (a)                        | Capital                                                                                                                  | 0.63                                                                                                                                                                                                                                                                                                                                                              | 1.36 |               |  |
| (b) | Recurring                  | 2.88                                                                                                                     | 2.82                                                                                                                                                                                                                                                                                                                                                              |      |               |  |
| (c) | Total                      | 3.51                                                                                                                     | 4.18                                                                                                                                                                                                                                                                                                                                                              |      |               |  |
| (d) | % of R&D expenses to sales | 0.18                                                                                                                     | 0.21                                                                                                                                                                                                                                                                                                                                                              |      |               |  |

|                                          |                  |                                                                                |               |         |
|------------------------------------------|------------------|--------------------------------------------------------------------------------|---------------|---------|
| (C) Foreign Exchange Earnings and Outgo: |                  |                                                                                | 2019-20       | 2018-19 |
| (i)                                      | Actual Inflows:  | Foreign Exchange Earnings                                                      | (₹ in Crores) |         |
|                                          |                  | Exports                                                                        | 41.89         | 51.44   |
|                                          |                  | Total                                                                          | 41.89         | 51.44   |
| (ii)                                     | Actual Outflows: | Foreign Exchange Outgo                                                         |               |         |
|                                          |                  | Imports                                                                        |               |         |
|                                          |                  | - Raw Materials Etc.                                                           | 201.38        | 225.45  |
|                                          |                  | - Capital Goods                                                                | 5.21          | 4.19    |
|                                          |                  | - Spares                                                                       | -             | -       |
|                                          |                  | Royalty, Consultancy, Product Registration/Promotion Expenses, Travelling etc. | 3.25          | 2.74    |
|                                          |                  | Total:                                                                         | 209.84        | 232.38  |

**ANNEXURE - E**

**Disclosure as per Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                |                                                       |                               |                                              |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|-------------------------------|----------------------------------------------|
| (i)    | The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:                                                                                                                                                                                                                                                                                                                                         |                                                |                                                       |                               |                                              |
|        | Mr. T.T. Jagannathan<br>Chairman                                                                                                                                                                                                                                                                                                                                                                                                                                          | Mr. Chandru Kalro<br>Managing Director         | Mr. K. Shankaran<br>Wholetime Secretary &<br>Director |                               | Mr. T.T. Raghunathan<br>Vice Chairman        |
|        | 1: 129                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1: 71.60                                       | 1:63.42                                               |                               | 1:4.23                                       |
|        | Mr. T.T. Mukund<br>Director                                                                                                                                                                                                                                                                                                                                                                                                                                               | Mr. R. Srinivasan<br>Independent Director      | Mr. Dileep Krishnaswamy<br>Independent Director       |                               | Mr. Arun Thiagarajan<br>Independent Director |
|        | 1: 4.44                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1: 4.96                                        | 1: 4.96                                               |                               | 1: 4.96                                      |
|        | Dr. (Mrs.) Vandana Walvekar<br>Independent Director                                                                                                                                                                                                                                                                                                                                                                                                                       | Mr. Murali Neelakantan<br>Independent Director |                                                       |                               | Mr. Dhruv Moondhra<br>Independent Director   |
|        | 1: 4.44                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1: 4.54                                        |                                                       |                               | 1: 4.44                                      |
| (ii)   | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:                                                                                                                                                                                                                                                                                                  |                                                |                                                       |                               |                                              |
|        | Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Designation                                    | CTC (31.03.2020)<br>₹ In lakhs                        | CTC(31.03.2019)<br>₹ In lakhs | % Increase/<br>Decrease<br>in CTC            |
| 1      | Mr. T.T. Jagannathan                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Chairman                                       | 600.70                                                | 1339.99                       | -55                                          |
| 2      | Mr. Chandru Kalro                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Managing Director                              | 346.50                                                | 389.55                        | -11                                          |
| 3      | Mr. K. Shankaran                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Wholetime Director &<br>Secretary              | 306.97                                                | 389.57                        | -21                                          |
| 4      | Mr. T.T. Raghunathan                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Vice Chairman                                  | 20.50                                                 | 23.30                         | -12                                          |
| 5      | Mr. T.T. Mukund                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Director                                       | 21.50                                                 | 24.30                         | -11                                          |
| 6      | Mr. R. Srinivasan                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Independent Director                           | 24.00                                                 | 29.05                         | -17                                          |
| 7      | Mr. Dileep Krishnaswamy                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Independent Director                           | 24.00                                                 | 27.30                         | -12                                          |
| 8      | Mr. Arun Thiagarajan                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Independent Director                           | 24.00                                                 | 28.30                         | -15                                          |
| 9      | Dr. (Mrs.) Vandana Walvekar                                                                                                                                                                                                                                                                                                                                                                                                                                               | Independent Director                           | 21.50                                                 | 25.05                         | -14                                          |
| 10     | Mr. Murali Neelakantan                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Independent Director                           | 22.00                                                 | 25.55                         | -14                                          |
| 11     | Mr. Dhruv Moondhra                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Independent Director                           | 21.50                                                 | NA                            | NA                                           |
| 12     | Mr. V. Sundaresan                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Chief Financial Officer                        | 112.77                                                | 105.66                        | 6.7                                          |
|        | Directors who are not in the employment of the company received sitting fees of Rs.50,000/- for attending Board and Audit Committee Meetings and Rs.25000 for other Committee Meetings. For the Financial Year 2018-19, such directors were paid a commission of 21.80 lakhs p.a. each and Rs.19 lakhs each for the year 2019-20.                                                                                                                                         |                                                |                                                       |                               |                                              |
| (iii)  | The percentage increase in the median remuneration of employees in the financial year:                                                                                                                                                                                                                                                                                                                                                                                    |                                                |                                                       |                               |                                              |
|        | 25.7%                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                |                                                       |                               |                                              |
| (iv)   | The number of permanent employees on the rolls of the Company:                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                       |                               |                                              |
|        | 1443 employees                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                       |                               |                                              |
| (viii) | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;                                                                                                                       |                                                |                                                       |                               |                                              |
|        | The average percentile increase was of the order of 10% for employees other than managerial personnel. In comparison, there was a reduction of around 25% in the aggregate managerial remuneration for the year 2019-20. Substantial part of the managerial remuneration is linked to profit & rate of growth in profits. Therefore, the current year's increase is in line with growth in profit over the previous year and it is in line with the terms of appointment. |                                                |                                                       |                               |                                              |
| (xii)  | Affirmation that the remuneration is as per the remuneration policy of the company:                                                                                                                                                                                                                                                                                                                                                                                       |                                                |                                                       |                               |                                              |
|        | It is affirmed that the remuneration of the managerial personnel is in accordance with the remuneration policy of the company.                                                                                                                                                                                                                                                                                                                                            |                                                |                                                       |                               |                                              |

## ANNEXURE - F

### Statement showing the details of Employees of the Company as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Name of the employee  | Designation of the employee                       | Remuneration received (₹) | Nature of employment | Qualification                                    | Experience in years | Date of commencement of employment | Age | Last employment held by the employee                             | % of equity shares held |
|-----------------------|---------------------------------------------------|---------------------------|----------------------|--------------------------------------------------|---------------------|------------------------------------|-----|------------------------------------------------------------------|-------------------------|
| K.Shankaran           | Wholetime Director & Secretary                    | 3,06,96,508               | Contractual          | B.Com., ACMA, FCS, Dip. MA                       | 45                  | 09/10/1990                         | 66  | Secretary Spencer & Co., Ltd., Chennai                           | 0.01                    |
| Chandru Kalro         | Managing Director                                 | 3,46,50,152               | Contractual          | B.E                                              | 34                  | 29/03/1993                         | 56  | Asst.Manager (Marketing)                                         | -                       |
| H.T.Rajan*            | Chief Manufacturing Officer                       | 1,28,03,984               |                      | B.Tech., MBA                                     | 38                  | 16/07/2010                         | 61  | Managing Director TTK -LIG Limited                               | -                       |
| Dinesh Garg           | Executive Vice President - Sales & Marketing      | 1,56,92,060               |                      | BE (Agri Engg), PGDM (Marketing) - IIM Ahmedabad | 32                  | 10/07/1997                         | 55  | Regional Sales Manager-Band Street Perfumes & Cosmetics          | -                       |
| V. Sundaresan         | Senior Vice President - Finance & CFO             | 1,12,76,797               |                      | B.Com, FCA                                       | 39                  | 16/06/1997                         | 65  | GM- Finance, Gain Well Medi Mart Ltd, Bangalore                  | -                       |
| R. Saranyan           | Executive Vice President-Finance                  | 77,52,082                 |                      | B.Sc., ACA                                       | 29                  | 01/04/2019                         | 55  | President – Protective Devices Division – TTK Healthcare Limited |                         |
| K.G. George           | Senior Vice President-Retail & Alternate Channels | 1,42,86,325               |                      | BE (Mech), PGDM -IIM,Bangalore                   | 40                  | 01/04/1992                         | 56  | Sales Executive- TVS Suzuki                                      | -                       |
| Manas Martha          | Vice President-Human Resources                    | 71,87,063                 |                      | BSC, MBA - HR                                    | 24                  | 08/09/2014                         | 48  | TAFE Limited                                                     | -                       |
| N. Radhakrishnan      | Sr.Vice President - Taxation & Legal              | 59,71,424                 |                      | B.Com, ACA, ACMA, ACS, LLB                       | 32                  | 29/05/1998                         | 58  | Crompton Greaves Limited                                         | -                       |
| Jayaraman Ravishankar | Vice President - Operations                       | 56,99,244                 |                      | B.E                                              | 24                  | 16/11/2011                         | 53  | TTK LIG Limited                                                  | -                       |

\* H T Rajan retired on 31st January 2020

Notes: Remuneration includes P.F., Gratuity, Contribution to Superannuation Scheme, Housing, etc., wherever applicable.

None of the employees is a relative of any of the Director.

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2020

(Pursuant to section 204 (1) of Companies Act 2013 and rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
TTK Prestige Limited,  
Plot Nos. 38, SIPCOT Industrial Complex, Hosur – 635 126  
Tamilnadu

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TTK PRESTIGE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2020** and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

vi. Other laws applicable specifically to the Company, namely:

(a) The Patents Act, 1970 (Not applicable during the Audit period)

(b) The Trade Marks Act, 1999 (Not applicable during the Audit period).

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

**I report that**, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines and Standards mentioned above.

**I further report that**, there were no events/actions in pursuance of:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- requiring compliance thereof by the Company during the audit period.

**I further report that**, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I further report that**, based on the information provided and the representation made by the Company and also on the

review of the compliance reports of the Managing Director/ Chief Financial Officer/Company Secretary taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I report further that**, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having a major bearing on the Company's affairs during the audit period.

Place: Bengaluru

Date: June 24, 2020

P.G. HEGDE  
HEGDE & HEGDE  
COMPANY SECRETARIES  
FCS:1325/CP: 640  
UDIN: F001325B000372927

**This report is to be read with Annexure 'A' which forms an integral part of this report.**

## Annexure A

To  
The Members,  
TTK Prestige Limited  
Hosur, Tamilnadu

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained management representation of compliances of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.
7. Due to prevailing circumstances of COVID-19 pandemic, the audit was conducted by distance mode and my report is based on verification of company's books, paper, minutes books forms and returns filed, documents and other records furnished by the company electronically and also the information provided by company and its officers by audio and visual means.

Place: Bengaluru

Date: June 24, 2020

P.G. HEGDE  
HEGDE & HEGDE  
COMPANY SECRETARIES  
FCS:1325/CP: 640  
UDIN: F001325B000372927

## Auditors' Certificate on Compliance of Conditions of Corporate Governance under Schedule (E) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### To the Members of TTK Prestige Limited

This certificate is issued in accordance with the terms of our engagement with TTK Prestige Limited ('the Company').

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes preparation and maintenance of all relevant supporting records and documents, the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2020.

We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2020. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### Restriction of Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the aforesaid Regulations and may not be suitable for any other purpose.

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAADC7496

## BUSINESS RESPONSIBILITY REPORT

As required under Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure) Regulations, 2015

### Section A: General Information about the Company

|    |                                                                                               |                                                                      |
|----|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| 1  | Corporate Identity Number (CIN) of the Company                                                | L85110TZ1955PLC015049                                                |
| 2  | Name of the Company                                                                           | TTK Prestige Limited                                                 |
| 3  | Registered address                                                                            | Plot No. 38, Sipcot Industrial Complex, Hosur, 635126                |
| 4  | Website                                                                                       | <a href="http://www.ttkprestige.com">www.ttkprestige.com</a>         |
| 5  | E-mail id                                                                                     | <a href="mailto:ttkcorp@ttkprestige.com">ttkcorp@ttkprestige.com</a> |
| 6  | Financial Year reported                                                                       | 31-03-2020                                                           |
| 7  | Sector(s) that the Company is engaged in (industrial activity code-wise)                      | 3463 and 3469                                                        |
| 8  | List three key products/services that the Company manufactures/provides (as in balance sheet) | Pressure cookers, Cookware and Gas stoves                            |
| 9  | Total number of locations where business activity is undertaken by the Company                |                                                                      |
|    | Number of International Locations (Provide details of major 5)                                | NIL                                                                  |
|    | Number of National Locations<br>(i) Factories<br>(ii) Corporate Office<br>(iii) Branches      | 5<br>1<br>28                                                         |
| 10 | Markets served by the Company – Local/State /National/International                           | Serves National and International markets                            |

### Section B: Financial Details of the Company

(₹ in Crores)

|   |                                                                                               |                                                                                                                                                                            |
|---|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Paid up Capital (INR)                                                                         | 13.86                                                                                                                                                                      |
| 2 | Total Turnover (INR)                                                                          | 1936.79                                                                                                                                                                    |
| 3 | Total profit after taxes and OCI (INR)                                                        | 197.00                                                                                                                                                                     |
| 4 | Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | 2.33% of profits                                                                                                                                                           |
| 5 | List of activities in which expenditure in 4 above has been incurred                          | Education, infrastructure and sanitation facilities for Rural Schools, calamity relief, nutrition, health care and research for rehabilitation equipment for the disabled. |

### Section C: Other Details

|                                                                                                                                                                                                                                                              |                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| Does the Company have any Subsidiary Company/ Companies                                                                                                                                                                                                      | Yes                               |
| Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)                                                                                                  | No. They are Foreign Subsidiaries |
| Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | Less than 30%                     |

## Section D: BR Information

### 1. Details of Director/Directors responsible for BR

- a. Details of the Director / Director responsible for implementation of the BR policy/policies: Committee consisting of Managing Director and Whole-time Director & Secretary

1. DIN Number: 03474813

Name: CHANDRU KALRO

Designation: Managing Director

2. DIN Number : 00043205

Name: K.SHANKARAN

Designation: Wholetime Director & Secretary

### b. Details of the BR head

| S.No. | Particulars                | Details                        |
|-------|----------------------------|--------------------------------|
| 1.    | DIN Number (if applicable) | 00043205                       |
| 2.    | Name                       | K.SHANKARAN                    |
| 3.    | Designation                | Wholetime Director & Secretary |
| 4.    | Telephone number           | 91- 80- 22218817               |
| 5.    | e-mail id                  | ks@ttkprestige.com             |

### 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

| S.No. | Questions                                                                                                                                                                                                                                                                                                                                                                                                                                                       | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1.    | Do you have a policy/policies for                                                                                                                                                                                                                                                                                                                                                                                                                               | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 2.    | Has the policy being formulated in consultation with the relevant stakeholders?                                                                                                                                                                                                                                                                                                                                                                                 | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 3.    | Does the policy conform to any national/international standards? If yes, specify? (50 words)<br><br>The various policies are captured in the current document of Code of Conduct & Governance Philosophy of the Company. The principles contained in various Laws and Conventions are incorporated into the policies. These policies also take into account the Standards like ISO 9001, BS OHSAS 18001, ISO 45001, ISO 14001, PED 2014/68/EU, BSCI and SA8000. | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.    | Has the policy been approved by the Board?<br>Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?                                                                                                                                                                                                                                                                                                                                            | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 5.    | Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?                                                                                                                                                                                                                                                                                                                                        | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 6.    | Indicate the link for the policy to be viewed online?<br><a href="http://www.ttkprestige.com">www.ttkprestige.com</a>                                                                                                                                                                                                                                                                                                                                           | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 7.    | Has the policy been formally communicated to all relevant internal and external stakeholders?                                                                                                                                                                                                                                                                                                                                                                   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 8.    | Does the company have in-house structure to implement the policy/policies?                                                                                                                                                                                                                                                                                                                                                                                      | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 9.    | Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?                                                                                                                                                                                                                                                                                                        | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 10.   | Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?                                                                                                                                                                                                                                                                                                                                       | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |



2a. If answer to Sl.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options) - NOT APPLICABLE

| S.No. | Questions                                                                                                                         | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-------|-----------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1.    | The company has not understood the Principles                                                                                     |     |     |     |     |     |     |     |     |     |
| 2.    | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles |     |     |     |     |     |     |     |     |     |
| 3.    | The company does not have financial or manpower resources available for the task                                                  |     |     |     |     |     |     |     |     |     |
| 4.    | It is planned to be done within next 6 months                                                                                     |     |     |     |     |     |     |     |     |     |
| 5.    | It is planned to be done within the next 1 year                                                                                   |     |     |     |     |     |     |     |     |     |
| 6.    | Any other reason (please specify)                                                                                                 |     |     |     |     |     |     |     |     |     |

### 3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year-

*Annual Review*

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

*No*

## Section E: Principle-wise performance

### Principle 1

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

*Largely applies to the Company*

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

*The company received 209 complaints from stakeholders and all have been resolved. As regards after sales service, the same is being handled through a wide network of service centres and online customer service.*

### Principle 2

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

#### **MICROWAVE PRESSURE COOKER and COFFEE PERCOLATOR**

*This product is a Pressure cooker using disposable composites moving away from traditional metal. This also helps in the environmental impact as it consumes less energy in a microwave cooking as compared to the conventional induction / gas cooking.*

*We have designed smart products taking into consideration the current lifestyles of open kitchens and the contribution of the male members in the cooking activities. Example: Milk Boiler etc.*

#### **INDUCTION COOK TOP**

*Our Induction Cookers are >90% efficient in transfer of heat, keep warm function and a whistle counter which reduces the heating as soon as the preset number of cooker whistles blows. (during cooking).*

#### **DUO WATER FILTER**

*The Duo water purifiers for domestic use does not use electricity, it is based on Gravity water purification, has the seal of purity given by the WQIA. This does not use electricity and give pure water of Log 6:4:3. The water storage tank is made of Copper / Brass , which ensure the water has many health benefits and keeps the water pure.*

*By introducing various designs of Floor cleaning Mops with the concept of The Total Cleaning Home Solutions, the water consumption to clean the Home reduced by 50%*

*The EMS (Environmental Management systems) ISO 14001 has ensured we identify and assess potential environmental risks. This has been audited by Ms. TUV Rhineland, A German Notified Body. One of our factory at Roorkee has been certified for the above*

The BS OSHAS 18001 (Occupational Health and safety management systems) has ensured we identify the risks with respect to Health and safety (working environment). This has been audited by Ms. TUV Rhienland, a German Notified Body. Also, the new version of International Safety Standard ISO 45001 has been implemented. The above certifications are now in four of our Manufacturing Plants for the effective implementation of Safety Standards. A new supply chain security system called Global security verification (GSV) has been audited and certified for Karjan plant by M/s Intertek, India who are the third party certification agency.

#### Initiatives to reduce environmental impact:

1.2 Kgs of muck per day from polishing is used as fuel for melting of soap is being continued. This will reduce impact on the environment (Soil). This is a substitute for diesel (Fossil Fuel)

For cooker polishing we are using Diesel Fuel (fossil fuel), this has been substituted by Bio degradable Liquid, Aqua Blue and continued to be used.

The EMS (Environmental Management Systems) ISO 14001 has enabled us to identify and assess potential environmental risks. This has been audited by M/s. TUV Rhienland, a German Notified Body

For cooker and cookware packaging, To improve the awareness on the Concept of Re- Use of Polybags, the Polybags with the thickness of more than 51 micros used and adhered the Govt. regulations by printing all the relevant information including Re Sale value.

- MOU with Ambuja Cement for Co-Processing (Reuse) of Paint related waste as fuel instead of sending for Incineration and is being continued.
- Non-Stick Coating Production line Paint booths have been replaced with New & Efficient paint booths to improve the suction systems & thus reducing Suspended Particulate Matter in the Non-Stick coating area

2 For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product (optional):

- i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?  
Reduction of approximately 8% was achieved in input material consumption of our Plant at Roorkee, Uttarakhand.
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

#### THE FOLLOWING WERE THE EFFORTS UPTO THE PREVIOUS YEAR

- Use of bio compostable plastic bags
- SS Automation process established.
- Aluminum / SS Production Capacity 30% increased in Coimbatore, Karjan & Hosur Units By Adding 250 T Servo Hydraulic press, 10 Station Rotary Polishing Machine New Circle feeding machine with latest technology & Warehouse Capacity.
- State of art high pressure washing unit achieving Millipore value of 0.7-0.8 Mg & saving of water by 60 % from 89 KL to 35KL.
- New technology 1600 T Screw press with four heating stations installed at consuming 30% less energy than the conventional screw press
- Coimbatore plant got Green Consent order from TNPCB.
- Modern FG warehouses established at Hyderabad, Bommasandra and Khardi with efficient material handling reducing damages and hence wastes.
- Digitization of process Critical to Quality parameters.
- State of art high pressure washing unit achieving Millipore value of 0.7-0.8 Mg & saving of water by 60 % from 89 KL to 35KL.
- Plan for a 1 MW solar roof top power plant in Karjan initiated.
- Food crusher to crush food wastages in canteen to avoid methane emission in one more factory
- Combined Effluent Treatment Plant and Sewage Treatment Plant – Treated water used for gardening – ZERO discharge outside factory premises, in one more factory- Karjan plant.
- Water mapping done and consumption reduced in Karjan plant.
- Trials initiated with the use of non-hazardous chemical at cladding process.

#### IMPROVEMENTS DURING THE CURRENT YEAR:

- ❖ Robots are installed in NS coating for Inside Primer Coating, leading to lower suspended particulate matter in the atmosphere
- ❖ New Water curtain painting booths has been replaced for Solvent base outside (HTR) Paints, leading to positive initiative towards Environmental impacts. (by reducing non bio degradable material to the landfill)
- ❖ Grit blasting compressor replaced with smaller capacity after through study with energy monitoring team and reduce energy consumption.
- ❖ Cooker Lid Polishing activity made into Semi -Auto from Fully Manual Operation and hence the Power Consumption reduced by 40% for the Lid Polishing activity.- POWER CONSUMPTION REDUCED BY 40%

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably?

*About 70% of our inputs are sourced sustainable. We have established vendors both within and outside India. We also have back up list of vendors in case of inability of any of the existing suppliers. A sustainable procurement policy is in place. Commissioned and productionised soft touch handle coating line to produce up to 10,000 per day. This has reduced our import of the handle import substitution.*

*Productionised the Magic mop & completely stopped import of one model.*

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

*Yes, 18-20% of total procurement spends including goods and services are from local SMEs, traders, service providers, Procurement Division has multiple supplier engagement programmes for improving the capacity and capability of strategic suppliers including local.*

*TTK Prestige Ltd. shares technical cum operational knowledge for improvements in the vendor value chain and safety standards. Opportunities are available during trials at the pilot scale to Plant level. Year on year targets for business to be given to local and small vendors are enhanced.*

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

*The company has a policy of product exchange under which products that have outlived their warranty period are taken back and replaced with a new product. Such returned products find their ways for recycling. Our experience shows that about 20% of the products are exchanged in the above manner.*

#### Principle 3

Please indicate the Total number of employees. **1443 permanent**

Please indicate the Total number of employees hired on temporary/ contractual/casual basis.- **1694**

Please indicate the Number of permanent women employees: **28**

Please indicate the Number of permanent employees with disabilities : **12**

Do you have an employee association that is recognized by management?

*The company has recognized Trade Union in two of its manufacturing units and all the permanent workmen are members.*

What percentage of your permanent employees is members of this recognized employee association?

*All our permanent workers in our Hosur & Khardi Plant are members of Recognized union.*

*Other factories are relatively new. However formal working committees & grievance redressal mechanisms are in place these factories.*

Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| Sl. No. | Category                                      | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
|---------|-----------------------------------------------|--------------------------------------------------|----------------------------------------------------------|
| 1.      | Child labour/forced labour/involuntary labour | NIL                                              | NIL                                                      |
| 2.      | Sexual harassment                             | NIL                                              | NIL                                                      |
| 3.      | Discriminatory employment                     | NIL                                              | NIL                                                      |
| 4.      | Grievances Committee                          | NIL                                              | NIL                                                      |

What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees: 100%
- Permanent Women Employees: 100%
- Casual/Temporary/Contractual Employees: 100%
- Employees with Disabilities : 100%

#### Principle 4

Has the company mapped its internal and external stakeholders? Yes/No: Yes

Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

*The Company is an Equal Opportunity employer, none of the categories is marginalised*

*As regards other stakeholders, the company has a policy of non-discrimination*

Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. *Not Applicable*

#### Principle 5

Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

*The policy covers only the Company*

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

*There have been no major complaints other than normal shareholders complaints and complaint regarding minor product handling issues.*

*The company has a policy of not keeping a complaint unattended for more than 48 hours.*

#### Principle 6

Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

*Largely covers the company only*

Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

*Being developed*

Does the company identify and assess potential environmental risks? Y/N

*Yes*

Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

*No*

Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

*The company constantly is endeavouring to engage in energy savings projects.*

*Wherever feasible we have installed solar power generators.*

Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

*Yes*

Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

*Nil*

### Principle 7

Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- a. FICCI
- b. CMA
- c. CII
- d. Pressure cooker Manufacturers Association

Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

*We do express our views on economic and other policy matters. But not lobbied for any matter.*

### Principle 8

Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

*The Company has a well-defined CSR Policy and spends on various projects/activities as listed in the CSR report forming part of the Corporate Governance Report.*

Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

*The projects which we fund are either undertaken by NGOs, Reputed Educational/Research Institutions, and Public charitable Trusts having track record.*

Have you done any impact assessment of your initiative? Yes

What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

*All the CSR projects undertaken by the company either directly through other agencies are for the benefit of the community at large. The details of project / activities are listed in the separate CSR Report attached with this Annual Report.*

Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

*The Company's operations have not displaced any community. However the Company is supporting cause like provision of sanitary facilities in schools in rural areas and institutions that provide vocational training in rural areas.*

### Principle 9

What percentage of customer complaints / consumer cases are pending as on the end of financial year.

*Insignificant*

Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

*Yes*

Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

*Nil*

Did your company carry out any consumer survey/ consumer satisfaction trends?

*The Company conducts formal and informal surveys through its service camps, its exclusive retail network -Prestige Xclusive and market external research companies.*

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V (C) to the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

In line with the tradition of the TTK Group, the Board of Directors of TTK Prestige Limited view their role as trustees of the various stakeholders and the society at large and it is their endeavour to observe best corporate governance practices which inter-alia include transparency, accountability, and fairness in all dealings and pursuing a policy of appropriate disclosures and communication.

It is the philosophy of the Board that the Company continues to follow fair business and organizational practices to fulfill the mission of Quality Consumer Products at Affordable prices and in the process deliver long term sustainable shareholder value. It is also the Philosophy of the Board that practice of Corporate Governance should travel beyond Statutory Requirements and further encompass social responsibilities.

The Board of Directors believe that excellence in Corporate Governance Practices can be achieved only if the spirit of Corporate Governance is followed right from the top management to the last level employee of the Company.

### 2. BOARD OF DIRECTORS

#### (a) Composition and Category of Directors:

The Board consists of 11 Directors. The composition of the Board conforms to the Listing Regulations as per the details given below:

| Category                            | Name of the Director                                                                                                                                                 |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Promoter/Non-Executive Directors    | Mr. T.T. Jagannathan<br>Mr. T.T. Raghunathan<br>Mr. T.T. Mukund                                                                                                      |
| Non-Promoter/ Executive Directors   | Mr. Chandru Kalro (Managing Director)<br>Mr. K. Shankaran (Wholetime Director & Secretary)                                                                           |
| Non-Executive Independent Directors | Mr. R. Srinivasan<br>Dr.(Mrs.) Vandana Walvekar<br>Mr. Dileep Kumar Krishnaswamy<br>Mr. Arun K. Thiagarajan<br>Mr. Murali Neelakantan<br>Mr. Dhruv Sriratan Moondhra |

Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan

Dr. T.T. Mukund is the son of Mr. T.T. Jagannathan

#### (b) Attendance particulars of each Director at the Board Meetings & the Annual General Meeting:

| Name of the Director        | Date of the Board Meetings and Attendance |           |           |           |           | Date of the last AGM & Attendance |
|-----------------------------|-------------------------------------------|-----------|-----------|-----------|-----------|-----------------------------------|
|                             | 29.5.2019                                 | 12.8.2019 | 20.9.2019 | 8.11.2019 | 30.1.2020 |                                   |
| Mr. T.T. Jagannathan        | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. T.T. Raghunathan        | ✓                                         | LOA       | ✓         | ✓         | LOA       | LOA                               |
| Mr. Chandru Kalro           | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Dr. T.T. Mukund             | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. R. Srinivasan           | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Dr.(Mrs.) Vandana Walvekar  | LOA                                       | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. K. Shankaran            | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. Dileep K Krishnaswamy   | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. Arun K Thiagarajan      | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. Murali Neelakantan      | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |
| Mr. Dhruv Sriratan Moondhra | ✓                                         | ✓         | ✓         | ✓         | ✓         | ✓                                 |



**(c) No. of other Board of Directors or committees in which the Company Directors are Members/Chairman:**

| Name of the Director       | Name of the listed Company                | Category of directorship | No. of Other Directorships & Committee Member/ Chairmanships |                       |                         |
|----------------------------|-------------------------------------------|--------------------------|--------------------------------------------------------------|-----------------------|-------------------------|
|                            |                                           |                          | Other <sup>(1)</sup> Directorships                           | Committee Memberships | Committee Chairmanships |
| Mr. T.T. Jagannathan       | TTK Healthcare Limited                    | NEC                      | 3                                                            | -                     | -                       |
| Mr. T.T. Raghunathan       | TTK Healthcare Limited                    | EVC                      | 2                                                            | -                     | -                       |
| Mr. Chandru Kalro          | -                                         | -                        | -                                                            | -                     | -                       |
| Mr. R. Srinivasan          | Ace Designers Limited                     | ID                       | 5                                                            | 3                     | 2                       |
|                            | Murugappa Morgan Thermal Ceramics Limited | ID                       |                                                              |                       |                         |
|                            | Sundaram Fasteners Limited                | ID                       |                                                              |                       |                         |
|                            | Yuken India Limited                       | ID                       |                                                              |                       |                         |
|                            | Sterling Abrasives Limited                | ID                       |                                                              |                       |                         |
| Dr.(Mrs.) Vandana Walvekar | TTK Healthcare Limited                    | ID                       | -                                                            | -                     | -                       |
| Mr. K. Shankaran           | TTK Healthcare Limited                    | NE/NID                   | 1                                                            | 1                     | 1                       |
| Mr. Dileep K Krishnaswamy  | -                                         | -                        | -                                                            | -                     | -                       |
| Mr. Arun K Thiagarajan     | Grasim Industries Limited                 | ID                       | 4                                                            | 3                     | 2                       |
|                            | Aditya Birla Fashion and Retail Limited   | ID                       |                                                              |                       |                         |
|                            | Vodafone Idea Limited                     | ID                       |                                                              |                       |                         |
|                            | GE Power India Limited                    | ID                       |                                                              |                       |                         |
| Mr. Murali Neelakantan     | -                                         | -                        | -                                                            | -                     | -                       |
| Dr. T.T.Mukund             | -                                         | -                        | -                                                            | -                     | -                       |
| Mr.Dhruv Sriratan Moondhra | Thirumalai Chemicals Limited              | ID                       | 1                                                            | -                     | -                       |

**NEC:** Non-Executive Chairman, **EVC:** Executive Vice-Chairman, **ID:** Independent Director,

**NE/NID:** Non-Executive/Non-Independent

(1) Other Directorships include unlisted public companies and do not include Private Companies and overseas subsidiaries.

- As per Regulation 26 of the Listing Regulations Chairmanship/Membership of the Audit Committee and the Stakeholders Relationship Committee alone was considered for the purpose of reckoning the limit of Chairmanship/Membership of the Board level Committees.
- None of the Directors is a member of more than 10 Board-level Committees of Public Companies or is a Chairman of more than 5 such Committees.

**(d) Board Meetings held during the year 2019-20 and its dates:**

During the year under review, the meetings of the Board of Directors were held five (5) times on the following dates and confirm to the Regulation 17(2) of the Listing Regulations.

29<sup>th</sup> May, 2019

12<sup>th</sup> August, 2019

20<sup>th</sup> September, 2019

8<sup>th</sup> November, 2019

30<sup>th</sup> January, 2020

**(e) Separate Meetings of Independent Directors:**

As stipulated under Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, separate meetings of the Independent Directors were held. Amongst other matters they reviewed the performance of Non-Independent Directors and the Board as a whole; reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(f) No. of shares and Convertible Instruments held by Non-Executive Directors:**

| Names of the Non-Executive Directors | No. of Equity Shares held |
|--------------------------------------|---------------------------|
| Mr T.T. Jagannathan                  | 428684                    |
| Mr T.T. Raghunathan                  | 2400                      |
| Dr. T.T. Mukund                      | 329766                    |
| Dr.(Mrs.) Vandana Walvekar           | 1406                      |
| Mr R. Srinivasan                     | 0                         |
| Mr Arun K. Thiagarajan               | 1988                      |
| Mr Murali Neelakantan                | 0                         |
| Mr Dileep Kumar Krishnaswamy         | 0                         |

**(g) Familiarization Programmes imparted to Independent Directors:**

Pursuant to Regulation 25(7) of the Listing Regulations, familiarization programmes were imparted to Independent Directors of the Company, periodically, on the nature of the industry and the business model of the Company, roles, rights and responsibilities of the Independent Directors and other relevant information.

Your Company has the following process for induction and training of Board Members:

- Discussing with Independent Directors and ascertaining their further training / updating needs and arranging programmes outside the Company and arranging presentation by experts in the field. For instance, one of the Directors has attended the Directors Training Programme conducted by the Institute of Company Secretaries of India.
- A detailed induction programme is in place to familiarize the new directors of the entire operations of the Company. The programme includes presentations by various business / functional heads.
- Visit to the manufacturing units of the Company is also arranged based on developments in factories.

Details regarding familiarization programme are provided in Company's Corporate Governance Guidelines which is available in [www.ttkprestige.com](http://www.ttkprestige.com).

**(h) Key Board qualifications, expertise and attributes**

The role of Board of Directors is one of providing guidance and direction to the operating management of the company and laying down the framework for maintenance of high standards of governance and accountability. Since a member of the Board, not being a member with whole time responsibility is not required to involve in the day to day operations and or day to day strategies of running the business, no strict specific domain qualification or domain expertise can be prescribed. What is required is the ability to grasp the general aspects of business of the company, principles of governance and ability to articulate on matters brought to the Board etc.

Apart from a formal educational qualification, exposure to one or more fields of relevance to the kitchen and home appliance business of the company namely innovation, manufacturing operations, sales & marketing, consumer behaviour, services, finance, legal, people management, governance, risk management, general management, social responsibility, inorganic expansion, information technology etc., is required to qualify to become a member of the Board.

The skill matrix is divided into five broad baskets – A. Innovation and Manufacturing; B. Business Strategy, Business Process, Sales & Marketing and Consumer Behaviour; C. Governance, Risk Management and Social Responsibility; D. Finance, Legal, IT, Mergers & Acquisitions and E. People Development. The composition of the Board will be such that there will be adequate representation of these skills on the Board.

While each member of the current Board has the basic understanding and exposure to above mentioned skill matrix, the special expertise and strength that they bring to the table are as follows

|                             |                                                                                                                                              |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. T. T. Jagannathan       | Innovation, Manufacturing, Business Strategy, managing Joint Ventures and Business Partnerships and General Management.                      |
| Mr. T. T. Raghunathan       | Business Strategy, Sales, Distribution, Marketing & Consumer behaviour JV relations and General Management.                                  |
| Mr. R. Srinivasan           | Business strategy, Innovation, Manufacturing, Governance, Risk Management, Social responsibility, General Management and People Development. |
| Mr. Arun Thiagarajan        | Business Strategy, Manufacturing, Governance, Mergers & Acquisitions, Finance, IT, General Management and People Development.                |
| Mr. Dileep Krishnaswamy     | Business Processes, Finance, Governance, Risk Management and General Management                                                              |
| Dr. (Mrs.) Vandana Walvekar | Consumer Behaviour and Social Responsibility                                                                                                 |
| Mr. Murali Neelakandan      | Legal, Finance, Corporate Strategy, Governance, Risk Management, Mergers and Acquisition, People development.                                |



|                    |                                                                                                                                                                        |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dr. T. T. Mukund   | Innovation, IT, Governance, Social Responsibility                                                                                                                      |
| Mr. Dhruv Moondhra | Business Process, Finance, Risk Management                                                                                                                             |
| Mr. Chandru Kalro  | Business strategy, Innovation, Business Process, Manufacturing Resource Development, Sales & Marketing, Consumer Behaviour, People Development and General Management. |
| Mr. K. Shankaran   | Finance, Legal, Governance, Risk Management, Corporate Strategy, Mergers & Acquisitions, JV relations, Social Responsibility and People Development.                   |

- (i) Based on the disclosures received from all the independent directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the Management.

### 3. AUDIT COMMITTEE:

#### (a) Terms of Reference:

As per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18(3) & Schedule II – Part C to the Listing Regulations, the brief terms of reference of the Audit Committee of the Company, *inter alia* include-

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.

#### (b) Composition, Name of the Members and Chairperson:

The composition of the Committee is in line with the provisions of Section 177 of the Companies Act, 2013 and Section 18(3) of the Listing Regulations, as detailed below:

| Name of Director          | Position  | Category                                   |
|---------------------------|-----------|--------------------------------------------|
| Mr. Dileep K Krishnaswamy | Chairman  | Non-Promoter / Non-Executive / Independent |
| Mr. R. Srinivasan         | Member    | Non-Promoter / Non-Executive / Independent |
| Mr. Arun Thiagarajan      | Member    | Non-Promoter / Non-Executive / Independent |
| Mr. K. Shankaran          | Secretary | -                                          |

#### (c) Meetings and Attendance during the year 2019-20:

| Name of Director          | Date of the Meetings and Attendance |           |           |           |
|---------------------------|-------------------------------------|-----------|-----------|-----------|
|                           | 29.5.2019                           | 12.8.2019 | 8.11.2019 | 30.1.2019 |
| Mr. Dileep K Krishnaswamy | ✓                                   | ✓         | ✓         | ✓         |
| Mr. R. Srinivasan         | ✓                                   | ✓         | ✓         | ✓         |
| Mr. Arun Thiagarajan      | ✓                                   | ✓         | ✓         | ✓         |

The Audit Committee Meetings were also attended by the Statutory / Cost / Internal Auditors, wherever necessary.

### 4. NOMINATION AND REMUNERATION COMMITTEE:

#### (a) Terms of reference:

The brief terms of reference are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) of the & Schedule II – Part D to the Listing Regulations, *inter alia* include-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Whether to extend or continue the terms of appointment of Independent Director, on the basis of the report of performance evaluation of Independent Directors.

**(b) Composition, Name of Members and Chairperson:**

The composition of the Committee is in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19(1) of the Listing Regulations, as detailed below:

| Name of Director       | Position  | Category                                   |
|------------------------|-----------|--------------------------------------------|
| Mr. R. Srinivasan      | Chairman  | Non-Promoter / Non-Executive / Independent |
| Mr. Arun Thiagarajan   | Member    | Non-Promoter / Non-Executive / Independent |
| Mr. Murali Neelakantan | Member    | Non-Promoter / Non-Executive / Independent |
| Mr. T.T. Jagannathan   | Member    | Promoter / Non-Executive                   |
| Mr. K. Shankaran       | Secretary | -                                          |

**(c) Meeting and Attendance:**

During the year under review, the Committee as detailed below:

| Name of Director       | Date of the Meeting and Attendance |           |
|------------------------|------------------------------------|-----------|
|                        | 29.05.2019                         | 30.1.2020 |
| Mr. R. Srinivasan      | ✓                                  | ✓         |
| Mr T.T. Jagannathan    | ✓                                  | ✓         |
| Mr. Arun Thiagarajan   | ✓                                  | ✓         |
| Mr. Murali Neelakantan | ✓                                  | ✓         |

**(d) Performance Evaluation criteria for Independent Directors:**

During the year under review, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance at Board Meetings and General Meetings; participation in Board proceedings; independence and candidness shown at meetings; clarity and objectiveness in expressing views at meetings; awareness of governance code, compliance requirements, risk framework, etc.; interactions with other Directors / Senior Management during and outside meetings; keenness to continuously familiarize with the industry and the Company; etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors

The Directors were satisfied with the outcome of the evaluation, which reflected the overall engagement of the Board and its Committees with the Company.

Your Company has in place a Policy relating to selection, remuneration and evaluation of Directors and Senior Management. The said Policy is available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**5. REMUNERATION OF DIRECTORS:**

- (a) There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company during the year other than in the nature of sitting fee, commission etc which they are entitled to as a director, as detailed below.

- (b) Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors were paid Sitting Fees for the Board Meetings and Committee Meetings attended by them as follows.

Board Meetings and Audit Committee Meetings - ₹ 50,000 per meeting

Other Committee Meetings - ₹ 25,000 per meeting.

The Non-Executive Directors will be eligible for commission for the Financial Year 2019-20 pursuant to the special resolution already passed by the shareholders. The details of this information has been posted in the website of the company [www.ttkprestige.com](http://www.ttkprestige.com).



| Director                    | Sitting fees | Commission/Others | Total       |
|-----------------------------|--------------|-------------------|-------------|
| Mr. T.T. Jagannathan        | 3,00,000     | 5,97,70,337       | 6,00,70,338 |
| Mr. T.T. Raghunathan        | 1,50,000     | 19,00,000         | 20,50,000   |
| Dr. (Mrs.) Vandana Walvekar | 2,50,000     | 19,00,000         | 21,50,000   |
| Mr. R. Srinivasan           | 5,00,000     | 19,00,000         | 24,00,000   |
| Mr. Dileep K. Krishnaswamy  | 5,00,000     | 19,00,000         | 24,00,000   |
| Mr. Arun K. Thiagarajan     | 5,00,000     | 19,00,000         | 24,00,000   |
| Mr. Murali Neelakantan      | 3,00,000     | 19,00,000         | 22,00,000   |
| Dr. T.T. Mukund             | 2,50,000     | 19,00,000         | 21,50,000   |
| Mr. Dhruv Sriratan Moondhra | 2,50,000     | 19,00,000         | 21,50,000   |

The above sitting fees and commission are within the ceiling prescribed under the provisions of the Companies Act, 2013.

The Policy of fixing the remuneration to Non-Executive Directors amongst others is contained in the Company's policy relating to Selection, Remuneration and Evaluation of Directors and Senior Management and the same is available on the website of the Company.

(c) Disclosure with respect to remuneration paid to the Whole time Directors for the year 2019-20 are as follows:

(₹ in lacs)

| Particulars of Remuneration                   | Mr. Chandru Kalro<br>Managing Director                                                   | Mr. K Shankaran<br>Wholetime Director & Secretary |
|-----------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------|
| Salary                                        | 60.00                                                                                    | 48.00                                             |
| Benefits:                                     | 62.02                                                                                    | 50.00                                             |
| HRA & Other Allowances                        | -                                                                                        | -                                                 |
| Contribution to PF & Other Funds              | 10.80                                                                                    | 8.64                                              |
| Bonus                                         | -                                                                                        | -                                                 |
| Fixed Component Performance Linked Incentives | -                                                                                        | -                                                 |
| Performance Linked Incentives                 | 213.68                                                                                   | 200.33                                            |
| Performance Criteria                          | Profit Linked                                                                            | Profit Linked                                     |
| Service Contracts                             | 5 years w.e.f.01.04.2015 and Re-appointed from 1.4.2020 for a further period of 5 years. | 5 years w.e.f. 01.04.2019                         |
| Notice Period                                 | -                                                                                        | -                                                 |
| Severances Fees                               | NIL                                                                                      | NIL                                               |
| Stock Options                                 | NIL                                                                                      | NIL                                               |
| Pension                                       | -                                                                                        | -                                                 |
| <b>Total</b>                                  | <b>346.50</b>                                                                            | <b>306.97</b>                                     |

The Managerial remuneration paid to the Whole time Directors is within the ceiling prescribed under Schedule V of Section 197 of the Companies Act, 2013.

The Company currently does not have Stock Options Scheme.

(6) **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

**Composition, Name of Members and Chairperson:**

- (a) The composition of the Stakeholders Relationship Committee is in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, as detailed below:

| Name of Director              | Position | Category                     |
|-------------------------------|----------|------------------------------|
| Mr. Dileep K. Krishnaswamy    | Chairman | Non-Promoter / Non-Executive |
| Mr. K. Shankaran              | Member   | Non-Promoter / Executive     |
| Mr. Chandru Kalro             | Member   | Non-Promoter / Executive     |
| Dr. (Mrs.) Vandana R Walvekar | Member   | Non-Promoter / Non-Executive |

(b) **Name and Designation of Compliance Officer:**

| Name of the Compliance Officer | Designation                     |
|--------------------------------|---------------------------------|
| Mr. K. Shankaran               | Whole-time Director & Secretary |

## (c) Meetings and Attendance during the year 2019-20:

The committee met twice viz. August 12, 2019 and November 7, 2019 and all the members attended the meetings.

(d) The total number of complaints received during the year was 209. No complaints were pending as on 31<sup>st</sup> March, 2020.

Details of Shareholders' Complaints received during the year 2019-20:

| Nature of Complaints                                 | Complaints received during the year 2018-19 | Solved to the satisfaction of the Shareholders | Pending Complaints |
|------------------------------------------------------|---------------------------------------------|------------------------------------------------|--------------------|
| Non-receipt of Dividends                             | 134                                         | 134                                            | 0                  |
| Non-receipt of Shares sent for transfer/transmission | 50                                          | 50                                             | 0                  |
| Non-receipt of Annual Report                         | 25                                          | 25                                             | 0                  |
| <b>Total</b>                                         | <b>209</b>                                  | <b>209</b>                                     | <b>0</b>           |

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

## (a) Terms of reference:

The brief terms of reference are as per the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, include-

- Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- Recommendation of the amount of expenditure to be incurred on the activities referred to the above
- Monitoring the Corporate Social Responsibility Policy of the Company from time to time.

## (b) Composition, Name of Members and Chairperson:

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under, the Corporate Social Responsibility Committee was constituted with the following Directors:

| Name of Director     | Position | Category                                       |
|----------------------|----------|------------------------------------------------|
| Mr. T.T. Jagannathan | Chairman | Promoter / Executive / Non-Independent         |
| Mr. R. Srinivasan    | Member   | Non-Promoter / Non-Executive / Independent     |
| Mr. K. Shankaran     | Member   | Non-Promoter / Non-Executive / Non-Independent |

## (c) Meeting and Attendance:

CSR Committee met during the end of the financial year 2018-19 and provided a plan for the spends for FY 19-20 which was approved by the Board. The spends are in accordance with the plans recommended by the CSR committee and the Board. The review meeting to be held in March 2020 could not be held due to COVID and a meeting will be held in the current financial year for considering the spends for FY 20-21.

## (d) Corporate Social Responsibility (CSR) Policy:

Your Company adopted a Policy relating to Corporate Social Responsibility in accordance with the provisions of Section 135 of and Schedule VII to the Companies Act, 2013 and the Rules made thereunder. The said Policy is available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**RISK MANAGEMENT COMMITTEE**

As our Company is amongst the top 500 listed entities as required under Regulation 21 of Listing Regulations, the Board of Directors have constituted the Risk Management Committee consisting of majority of Board Members. The composition of the Committee is as follows:

| Name of Director               | Position | Category                                   |
|--------------------------------|----------|--------------------------------------------|
| Mr. R. Srinivasan              | Chairman | Non-Promoter / Non-Executive / Independent |
| Mr. T.T. Jagannathan           | Member   | Promoter / Non-Executive / Non-Independent |
| Mr. Murali Neelakantan         | Member   | Non-Promoter / Non-Executive / Independent |
| Mr. Chandru Kalro              | Member   | Non-Promoter / Executive / Non-Independent |
| Mr. K. Shankaran               | Member   | Non-Promoter / Executive / Non-Independent |
| Mr. H T Rajan (till 31.1.2020) | Member   | Chief Manufacturing Officer                |
| Mr. V. Sundaresan              | Member   | Chief Finance Officer                      |
| Mr. Manas Martha               | Member   | Vice President - HR                        |
| Mr. Ramasubramaniam            | Member   | General Manager - IT                       |

The role of Risk Management Committee includes assessment of risk, identification of risk which may threaten the existence of the Company, Review the Risk Management Frame work, Risk Policy and risk Assessment and report to the Board periodically the risk status of key elements of risk.

The Committee meeting scheduled for March 20 could not be held for COVID and the meeting was held in June 2020 as per the Notification issued by Ministry of Corporate Affairs allowing extension of time up to June 30, 2020.

Further details are provided in the Board's Report.

#### **(7) GENERAL BODY MEETINGS:**

**(a) Location and time of the last three Annual General Meetings held; and**

**(b) No. of Special Resolutions passed at the meetings:**

The location and time of the Annual General Meetings held during the last 3 years are as follows:

| Year | Location                                                                                       | Date       | Time       | No. of special resolutions passed |
|------|------------------------------------------------------------------------------------------------|------------|------------|-----------------------------------|
| 2017 | Hotel Claresta Sarovar Portico,<br>No.422, SIPCOT Phase II, Bengaluru Road,<br>Hosur – 635 109 | 11.08.2017 | 12 Noon    | -                                 |
| 2018 | Hotel Claresta Sarovar Portico,<br>No.422, SIPCOT Phase II, Bengaluru Road,<br>Hosur – 635 109 | 25.7.2018  | 11.45 a.m. | 3                                 |
| 2019 | Hotel Claresta Sarovar Portico,<br>No.422, SIPCOT Phase II, Bengaluru Road,<br>Hosur – 635 109 | 12.8.2019  | 12 Noon    | 5                                 |

**(c) Special Resolutions passed through Postal Ballot and details of Voting Pattern during the year 2019-20:**

The Company successfully completed the process of obtaining approval of its Members through Postal Ballot on 3.05.2019 for the following items through notice of postal ballot dated March 29, 2019.

1. Approval of remuneration payable to Mr. T.T. Jagannathan as Non-executive Chairman and continuation of directorship for the remaining period of his present tenure i.e. till 30.6.2023.
2. Approval for payment of commission to Non-executive Directors.
3. Re-appointment of Mr. R. Srinivasan (DIN: 00043658), as an Independent Director of the company for a term of 5 years w.e.f. August 21, 2019.
4. Approval of Appointment of Mr. K.Shankaran (DIN: 00043205) as Wholetime Director & Secretary.

The complete details are available in the Annual Report for the year 2018-19

**(d) Passing of Special Resolutions through Postal Ballot, during the year 2020-21**

Your Company may propose to pass Special Resolutions conducted through Postal Ballot, if necessary, to comply with the provisions of the Companies Act, 2013 and the Rules made thereunder.

#### **(8) MEANS OF COMMUNICATION:**

- (a) The Unaudited Financial Results for every Quarter and the Annual Audited Financial Results of the Company, in the prescribed proforma, are taken on record by the Board and are submitted to the Stock Exchanges.
- (b) The same are published, within 48 hours, in "Economic Times – South and Mumbai, Financial Express, Business Standard" and "Dina Thanti".
- (c) The Quarterly / Annual Results are also posted on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com) and also on the website of the BSE Limited and National Stock Exchange of India Limited.
- (d) All the Official news releases are disseminated on the website of the Company.
- (e) The presentations made to institutional investors or to the analysts are posted on the website of the Company.

**(9) GENERAL SHAREHOLDERS INFORMATION:****(a) Date, Time and Venue of the Annual General Meeting:**

|       |   |                              |
|-------|---|------------------------------|
| Date  | : | 21 <sup>st</sup> August 2020 |
| Day   | : | Friday                       |
| Time  | : | 10:15 A.M.                   |
| Venue | : | Through Video conferencing   |

**(b) Particulars of Financial Calendar:**

|                                  |   |                                       |
|----------------------------------|---|---------------------------------------|
| Financial Year                   | : | April 2020 – March 2021               |
| Unaudited First Quarter Results  | : | Before 15 <sup>th</sup> August 2020   |
| Unaudited Second Quarter Results | : | Before 15 <sup>th</sup> November 2020 |
| Unaudited Third Quarter Results  | : | Before 15 <sup>th</sup> February 2021 |
| Audited Annual Results           | : | Before 30 <sup>th</sup> May 2021      |

**(c) Dividend Payment Date:**

The Board of Directors have recommended a dividend of ₹ 20 per share subject to approval of shareholders. The dividend will be paid on or before August 31, 2020.

**(d) Name and Address of Stock Exchanges where the Company's shares are listed and confirmation of payment of Annual Listing Fees:**

|      |                                                          |                                                                                   |
|------|----------------------------------------------------------|-----------------------------------------------------------------------------------|
| (i)  | BSE Limited (BSE), Mumbai                                | Phiroze Jeejeebhoy Towers<br>25 <sup>th</sup> Floor, Dalal Street, Mumbai 400 001 |
| (ii) | National Stock Exchange of India Limited (NSE)<br>Mumbai | Exchange Plaza<br>Bandra-Kurla Complex, Bandra East, Mumbai 400 051               |

The listing fees has been paid for the financial year 2019-20.

**(e) Stock Code:**

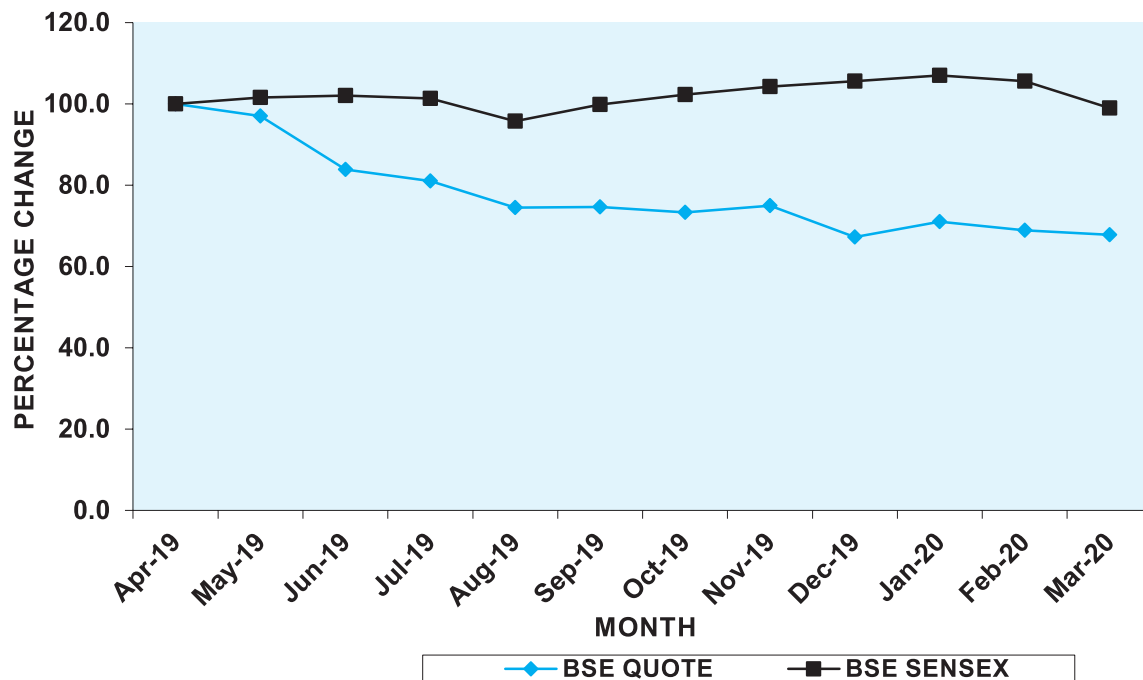
|      |              |
|------|--------------|
| BSE  | 517506       |
| NSE  | TTKPRESTIG   |
| ISIN | INE690A01010 |

**(f) Market Price Data**

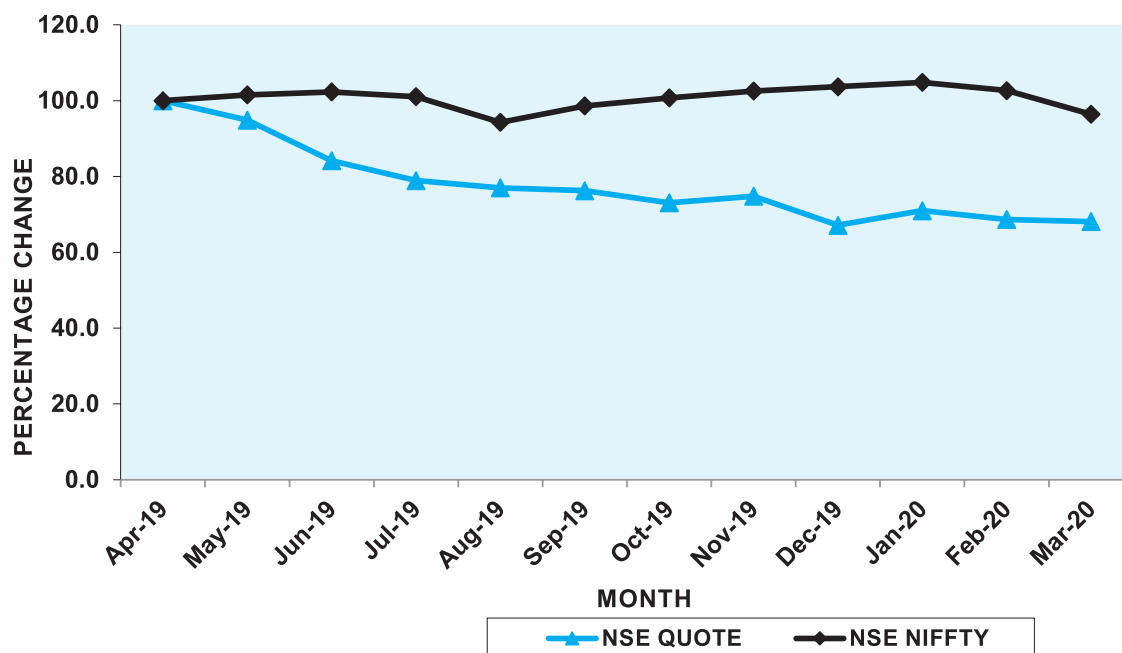
| Month     | NATIONAL STOCK EXCHANGE |         |        | BSE LIMITED |         |        |
|-----------|-------------------------|---------|--------|-------------|---------|--------|
|           | High                    | Low     | Volume | High        | Low     | Volume |
| Apr 2019  | 8721.15                 | 8065.50 | 63771  | 8702.00     | 8081.60 | 4879   |
| May 2019  | 8273.85                 | 7051.00 | 84688  | 8440.00     | 6959.85 | 6587   |
| Jun 2019  | 7340.00                 | 6340.00 | 60804  | 7300.00     | 6351.00 | 20817  |
| Jul 2019  | 6885.00                 | 5031.10 | 67576  | 7050.50     | 5046.65 | 11954  |
| Aug 2019  | 6715.55                 | 5150.00 | 92763  | 6480.95     | 5183.10 | 24327  |
| Sept 2019 | 6650.00                 | 5502.00 | 71386  | 6500.00     | 5440.00 | 11097  |
| Oct 2019  | 6373.95                 | 5849.95 | 84724  | 6379.85     | 5850.20 | 12471  |
| Nov 2019  | 6525.00                 | 5668.00 | 109277 | 6524.65     | 5652.15 | 46093  |
| Dec 2019  | 5855.60                 | 5480.25 | 153520 | 5852.05     | 5494.95 | 17834  |
| Jan 2020  | 6192.00                 | 5601.00 | 279182 | 6184.85     | 5605.00 | 85848  |
| Feb 2020  | 5990.00                 | 5606.00 | 100961 | 6000.00     | 5618.30 | 11729  |
| Mar 2020  | 5939.80                 | 3901.10 | 189830 | 5901.90     | 3918.05 | 58841  |


**(g) Performance comparison to BSE Sensex and Nifty**

| Month     | TTK Share Price | % Change to Base | BSE Sensex | % Change to Base | TTK Share Price | % Change to Base | NSE Nifty | % Change to Base |
|-----------|-----------------|------------------|------------|------------------|-----------------|------------------|-----------|------------------|
|           | High            |                  | High       |                  | High            |                  | High      |                  |
| Apr 2019  | 8702.00         | 0.0              | 39487.45   | 0.0              | 8721.15         | 0.0              | 11856.15  | 0.0              |
| May 2019  | 8440.00         | -3.0             | 40124.96   | 1.6              | 8273.85         | -5.1             | 12041.15  | 1.5              |
| Jun 2019  | 7300.00         | -16.1            | 40312.07   | 2.1              | 7340.00         | -15.8            | 12103.05  | 2.3              |
| Jul 2019  | 7050.50         | -19.0            | 40032.41   | 1.4              | 6885.00         | -21.1            | 11981.75  | 1.1              |
| Aug 2019  | 6480.95         | -25.5            | 37807.55   | -4.3             | 6715.55         | -23.0            | 11181.45  | -5.7             |
| Sept 2019 | 6500.00         | -25.3            | 39441.12   | -0.1             | 6650.00         | -23.7            | 11694.85  | -1.4             |
| Oct 2019  | 6379.85         | -26.7            | 40392.22   | 2.3              | 6373.95         | -26.9            | 11945.00  | 0.7              |
| Nov 2019  | 6524.65         | -25.0            | 41163.79   | 4.2              | 6525.00         | -25.2            | 12158.80  | 2.6              |
| Dec 2019  | 5852.05         | -32.8            | 41809.96   | 5.6              | 5855.60         | -32.9            | 12293.90  | 3.7              |
| Jan 2020  | 6184.85         | -28.9            | 42273.87   | 7.1              | 6192.00         | -29.0            | 12430.50  | 4.8              |
| Feb 2020  | 6000.00         | -31.1            | 41709.30   | 5.6              | 5990.00         | -31.3            | 12246.70  | 2.7              |
| Mar 2020  | 5901.90         | -32.2            | 39083.17   | -1.0             | 5939.80         | -31.9            | 11433.00  | -3.6             |

**TTK PRESTIGE SHARE PRICE VS BSE SENSEX**


## TTK PRESTIGE SHARE PRICE VS NSE NIFTY



(h) Suspension of Securities from trading by Directors – Not applicable

(i) Registrars & Transfer Agents: KFin Technologies Private Limited.  
(formerly Karvy Fintech Private limited)  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli Financial District  
Nanakramguda, Hyderabad – 500 008  
Phone No: 040 6716 1653

(j) Share Transfer system

In compliance of SEBI requirement, Share transfers are entertained, both under Demat Form and Physical Form. Share Transfers in respect of physical shares are normally effected within 10-15 days from the date of receipt, if all the required documentation is complete in all respects.

Also the Company has made arrangements for simultaneous dematerialization of Share Certificate(s) lodged for transfer, subject to the regulations specified by SEBI in this regard. As at 31<sup>st</sup> March, 2020, no Equity Shares were pending for transfer.

(k) Distribution of Shareholding as on 31<sup>st</sup> March, 2020

| Category (Amount) | Shareholders |               |                 | Shares           |               |
|-------------------|--------------|---------------|-----------------|------------------|---------------|
|                   | Nos.         | %             | Total shares    | ₹                | %             |
| 1 – 5000          | 28960        | 99.82         | 1126926         | 11269260         | 8.13          |
| 5001 - 10000      | 13           | 0.04          | 104909          | 1049090          | 0.76          |
| 10001 - 20000     | 13           | 0.04          | 179103          | 1791030          | 1.29          |
| 20001 - 30000     | 4            | 0.01          | 103220          | 1032200          | 0.74          |
| 30001 - 40000     | 3            | 0.01          | 100538          | 1005380          | 0.73          |
| 40001 - 50000     | 4            | 0.01          | 182315          | 1823150          | 1.32          |
| 50001 - 100000    | 6            | 0.02          | 421487          | 4214870          | 3.04          |
| 100001 & Above    | 10           | 0.03          | 11642904        | 116429040        | 84.00         |
| <b>Total</b>      | <b>29013</b> | <b>100.00</b> | <b>13861402</b> | <b>138614020</b> | <b>100.00</b> |

**Categories of Equity Shareholders as on 31<sup>st</sup> March, 2020:**

| Category   | Category of Shareholder                                                      | No. of Shareholders | No. of Shares held | Shareholding as a % of total no. of shares | No. of Equity Shares held in Dematerialized Form |
|------------|------------------------------------------------------------------------------|---------------------|--------------------|--------------------------------------------|--------------------------------------------------|
| <b>(A)</b> | <b>Promoter &amp; Promoter Group</b>                                         |                     |                    |                                            |                                                  |
| <b>(1)</b> | <b>Indian</b>                                                                |                     |                    |                                            |                                                  |
| (a)        | Individuals / Hindu Undivided Family                                         | 5                   | 1377447            | 9.93                                       | 1377447                                          |
| (b)        | Central Government / State Government(s)                                     | -                   | -                  | -                                          | -                                                |
| (c)        | Financial Institutions / Banks                                               | -                   | -                  | -                                          | -                                                |
| (d)        | Any other (specify)                                                          |                     |                    |                                            |                                                  |
|            | (i) Partnership Firms                                                        | 1                   | 8364400            | 60.34                                      | 8364400                                          |
|            | (ii) Bodies Corporate                                                        | 1                   | 17760              | 0.13                                       | 17760                                            |
|            | <b>Sub-Total (A)(1)</b>                                                      | <b>7</b>            | <b>9759607</b>     | <b>70.41</b>                               | <b>9759607</b>                                   |
| <b>(2)</b> | <b>Foreign</b>                                                               |                     |                    |                                            |                                                  |
| (a)        | Individuals (Non-Resident Individuals / Foreign Individuals)                 | -                   | -                  | -                                          | -                                                |
| (b)        | Government                                                                   | -                   | -                  | -                                          | -                                                |
| (c)        | Institutions                                                                 | -                   | -                  | -                                          | -                                                |
| (d)        | Foreign Portfolio Investor                                                   | -                   | -                  | -                                          | -                                                |
| (e)        | Any other (specify)                                                          | -                   | -                  | -                                          | -                                                |
|            | <b>Sub-Total (A)(2)</b>                                                      | <b>-</b>            | <b>-</b>           | <b>-</b>                                   | <b>-</b>                                         |
|            | <b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>   | <b>7</b>            | <b>9759607</b>     | <b>70.41</b>                               | <b>9759607</b>                                   |
| <b>(B)</b> | <b>Public</b>                                                                |                     |                    |                                            |                                                  |
| <b>(1)</b> | <b>Institutions</b>                                                          |                     |                    |                                            |                                                  |
| (a)        | Mutual Funds                                                                 | 13                  | 1442577            | 10.41                                      | 1442457                                          |
| (b)        | Venture Capital Funds                                                        | -                   | -                  | -                                          | -                                                |
| (c)        | Alternate Investment Funds                                                   | -                   | -                  | -                                          | -                                                |
| (d)        | Foreign Venture Capital Investors                                            | -                   | -                  | -                                          | -                                                |
| (e)        | Foreign Portfolio Investors                                                  | 87                  | 1363977            | 9.84                                       | 1363977                                          |
| (f)        | Financial Institutions / Banks                                               | 4                   | 7017               | 0.05                                       | 6897                                             |
| (g)        | Insurance Companies                                                          | -                   | -                  | -                                          | -                                                |
| (h)        | Provident Funds / Pension Funds                                              | -                   | -                  | -                                          | -                                                |
| (i)        | Any other (please specify)                                                   |                     |                    |                                            |                                                  |
|            | (i) Foreign Nationals                                                        | 2                   | 145                | -                                          | 145                                              |
|            | <b>Sub Total (B)(1)</b>                                                      | <b>106</b>          | <b>2813716</b>     | <b>20.30</b>                               | <b>2813476</b>                                   |
| <b>(2)</b> | <b>Central Government / State Government(s) / President of India</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>                                   | <b>-</b>                                         |
|            | <b>Sub Total (B)(2)</b>                                                      | <b>-</b>            | <b>-</b>           | <b>-</b>                                   | <b>-</b>                                         |
| <b>(3)</b> | <b>Non-Institutions</b>                                                      | <b>-</b>            | <b>-</b>           | <b>-</b>                                   | <b>-</b>                                         |
| (a)        | Individuals -                                                                | -                   | -                  | -                                          | -                                                |
| (i)        | Individual Shareholders holding nominal share capital up to ₹ 2 lakhs.       | 27011               | 980359             | 7.07                                       | 875075                                           |
| (ii)       | Individual Shareholders holding nominal share capital in excess of ₹ 2 lakhs | 1                   | 24192              | 0.17                                       | -                                                |

| Category | Category of Shareholder                                     | No. of Shareholders | No. of Shares held | Shareholding as a % of total no. of shares | No. of Equity Shares held in Dematerialized Form |
|----------|-------------------------------------------------------------|---------------------|--------------------|--------------------------------------------|--------------------------------------------------|
| (b)      | NBFCs registered with RBI                                   | 1                   | 184                | 0                                          | 184                                              |
| (c)      | Employee Trusts                                             | 0                   | 0                  | 0                                          | 0                                                |
| (d)      | Overseas Depositories (holding DRs) (balancing figure)      | -                   | -                  | -                                          | -                                                |
| (e)      | Any other (specify)                                         |                     |                    |                                            |                                                  |
|          | Bodies Corporate                                            | 519                 | 124091             | 0.90                                       | 122791                                           |
|          | Non-Resident Indians                                        | 878                 | 36687              | 0.26                                       | 36567                                            |
|          | Clearing Members                                            | 66                  | 6172               | 0.04                                       | 6172                                             |
|          | Trusts                                                      | 5                   | 908                | 0.01                                       | 908                                              |
|          | NRI – Non Repatriable                                       | 412                 | 16170              | 0.12                                       | 16170                                            |
|          | Alternate Investment Fund                                   | 4                   | 48978              | 0.35                                       | 48978                                            |
|          | IEPF                                                        | 2                   | 50198              | 0.36                                       | 50198                                            |
|          | Qualified Institutional Buyer                               | 1                   | 140                | 0                                          | 140                                              |
|          | <b>Sub-Total (B)(3)</b>                                     | <b>28900</b>        | <b>1288079</b>     | <b>9.29</b>                                | <b>1157183</b>                                   |
|          | <b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b> | <b>29006</b>        | <b>4101795</b>     | <b>29.59</b>                               | <b>3970659</b>                                   |
|          | <b>Total (A+B)</b>                                          | <b>29013</b>        | <b>13861402</b>    | <b>100</b>                                 | <b>13730266</b>                                  |

**Note:**

Promoters include T.T. Krishnamachari & Co. represented by its partners and constituents of TTK Group. The constituents of TTK Group include TTK Healthcare Limited, and relatives of the partners of T.T. Krishnamachari & Co.

The Company has not issued any GDRs/ADRs, Warrants & Convertible Instruments

The Company has bought back 1,00,000 equity shares during the year 2017-18

27,300 forfeited shares have been cancelled during the financial year 2019-20.

The Company on 17.5.2019 allotted 23,10,233 Bonus shares in the ratio of 1: 5 and the current paid up share capital is 1,38,61,402.

**(I) Dematerialisation of Shares and Liquidity as on 31st March, 2020**

|                                        | No. of Shares   | % of Shares   |
|----------------------------------------|-----------------|---------------|
| No. of Shareholders in Physical Mode   | 131136          | 0.95          |
| No. of Shareholders in Electronic Mode | 13730266        | 99.05         |
| <b>Total</b>                           | <b>13861402</b> | <b>100.00</b> |

| Days taken for Dematerialisation | No. of Requests | No. of Shares | % of Shares |
|----------------------------------|-----------------|---------------|-------------|
| 15 days                          | NIL             | NIL           | NIL         |

|                                  | National Securities Depository Limited (NSDL) |         | Central Depository Services (I) Limited (CDSL) |         |
|----------------------------------|-----------------------------------------------|---------|------------------------------------------------|---------|
|                                  | 2018-19                                       | 2019-20 | 2018-19                                        | 2019-20 |
| Number of Shares Dematerialised  | 11400                                         | 8443    | 7598                                           | 14987   |
| Number of Shares Re-materialised | NIL                                           | 1       | Nil                                            | NIL     |

|    |                                                                             |                                                                                                                                                                                                                                                                                                                                   |
|----|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| m. | <b>Outstanding GDRs / ADRs/ Warrants or any convertible Instruments</b>     | The Company has not issued any GDRs/ADRs/ Warrants & Convertible Instruments.                                                                                                                                                                                                                                                     |
| N  | <b>Commodity price risk or foreign exchange risk and hedging activities</b> | Not Applicable                                                                                                                                                                                                                                                                                                                    |
| o. | <b>Plant Locations</b>                                                      | 1. Plot Nos. 82 & 85, SIPCOT Industrial Complex, Hosur – 635 126, Tamilnadu.                                                                                                                                                                                                                                                      |
|    |                                                                             | 2. Plot No. 38, SIPCOT Industrial Complex, Hosur – 635 126, TamilNadu                                                                                                                                                                                                                                                             |
|    |                                                                             | 3. Myleripalayam Village, Kovai Terku Coimbatore, Tamilnadu – 641 032.                                                                                                                                                                                                                                                            |
|    |                                                                             | 4. Plot No.1A & 2, Dev Bhoomi Industrial Estate, Roorkee, Uttarakhand – 247 667.                                                                                                                                                                                                                                                  |
|    |                                                                             | 5. Vemardi Road, Juni Jithardi Village, Karjan Taluka, Vadodara, Gujarat                                                                                                                                                                                                                                                          |
|    |                                                                             | 6. 231, Khardi, Shahpur, Thane, Maharashtra - 421301                                                                                                                                                                                                                                                                              |
| p. | <b>Address for Correspondence</b>                                           | <b>Registered Office:</b><br>Plot No.38, SIPCOT Industrial Complex,<br>Hosur – 635 126, Tamilnadu<br>(During March 2009 the Registered Office was shifted from Bengaluru, Karnataka to Hosur, Tamilnadu)                                                                                                                          |
|    |                                                                             | <b>Administrative Office &amp; Investor Correspondence Address:</b><br>Secretarial Department<br>11 <sup>th</sup> Floor, Brigade Towers,<br>135, Brigade Road,<br>Bengaluru 560 025<br>Tel: 080-22217438, 22217439<br>Fax: 080-22277446<br>E-mail: <a href="mailto:investorhelp@ttkprestige.com">investorhelp@ttkprestige.com</a> |
| q. | <b>List of all credit rating obtained by the entity</b>                     | <b>CRISIL – Long Term - AA/Stable</b><br><b>Short term - A1+</b>                                                                                                                                                                                                                                                                  |

#### 10. OTHER DISCLOSURES:

##### (a) Related Party Disclosure:

During the year under review, no transaction of material nature has been entered into by the Company with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have a potential conflict with the interests of the Company.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen or repetitive nature. A statement giving details of the transactions entered into with the related parties, pursuant to the omnibus approval so granted, is placed before the Audit Committee and the Board of Directors for their approval / ratification on a quarterly basis.

The Register of Contracts containing transactions, in which directors are interested, is placed before the Audit Committee / Board regularly.

The Board of Directors of the Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. The Policy as approved by the Board is uploaded on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com). The details of the Related Party Transactions in Form AOC-2 are annexed as Annexure "C" (Page No. 27) to this Report.

The particulars of transactions between the Company and its related parties as per Ind-AS -24 are set out on Page No. 101 of this Annual Report.

**(b) Non-Compliances by the Company:**

There has been no instance of non-compliance by the Company on any matter related to Capital Markets during the last three financial years and hence no penalties or strictures were imposed by SEBI, the Stock Exchanges or any statutory authorities.

**(c) Establishment of Vigil Mechanism/ Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.**

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and also Regulation 22 of the Listing Regulations, your Company has in place a vigil mechanism termed as Whistle Blower Policy, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistle Blower mechanism is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

The Whistle Blower Policy is made available on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).

**(d) Compliance with Mandatory Requirements and adoption of non-mandatory requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated under Schedule II to the Listing Regulations and the disclosure relating to adoption of Non-mandatory / Discretionary requirements are detailed under S.No.12 of this Report.

**(e) Subsidiary Company:**

TTK British Holdings Limited was incorporated on 24<sup>th</sup> March 2016 and became a wholly owned subsidiary of TTK Prestige Limited after 31<sup>st</sup> March 2016 subsequent to capitalisation of the Company.

Horwood Homewares Limited is the subsidiary of TTK British Holdings Limited.

During the year Horwood Homewares Limited established a subsidiary Horwood Life Limited in which it holds 51% equity.

**(f) Policy on Related Party Transactions, as approved by the Board of Directors, is uploaded on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com)**

**(g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable**

**(h) Details of utilization of funds raised through preferential allotment: Not Applicable**

**(i) Certification from Company Secretary in Practice**

Mr. Parameshwar G Hegde of Hegde & Hegde, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Companies by the SEBI/Ministry of Corporate Affairs or such other statutory authority. The Certificate is enclosed as **Annexure A**

**(j) Details of Recommendation of Committee not accepted by the Board- Nil**

**(k) Total fees paid to statutory auditors for all services ₹ 0.52 Crores.**

**(l) Complaints pertaining to sexual harassment**

Number of complaints filed during the financial year - Nil

Number of complaints disposed of during the financial year - Nil

Number of complaints pending as on end of the financial year- Nil

**11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT:**

The Company has complied with all the mandatory requirement of Corporate Governance Report.

## 12. DISCLOSURE RELATING TO ADOPTION OF DISCRETIONARY REQUIREMENTS:

- (a) **The Board:** The Company had Executive Chairman till March 31, 2019. W.e.f. April 1, 2019 the Company has Non-Executive Chairman and he is entitled to maintain his office and other expenses.
- (b) **Shareholders Right:** The Company does not mail the Unaudited Half-yearly Financial Results individually to its shareholders. However, these are published in "Economic Times, South and Mumbai editions, Financial Express, Business Standard" & "Dina Thanti" and are also posted on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com).
- (c) **Modified Opinion(s) in Audit Report:** NIL
- (d) **Separate Posts of Chairperson and Chief Executive Officer (CEO):** The Chairman of the Board is an Non-Executive Chairman and his position is separate from that of the CEO (Managing Director is the CEO).
- (e) **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

## 13. DISCLOSURE OF COMPLIANCE:

Regulation 17 – Board of Directors:

- (i) The composition and meetings of the Board of Directors are complied with.
- (ii) Periodical review of Statutory Compliance Report, Quarterly / Half-year / Annual Corporate Governance Report, Quarterly Investor Grievance Report, etc. are carried out by the Board of Directors.
- (iii) **Code of Conduct for the Directors (incorporating the duties of Independent Directors) and Senior Management of the Company:** The Board of Directors had laid down a Code of Conduct applicable to all the Directors and Senior Managers of the Company. The said Code of Conduct had also been posted on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com). A report on the compliance aspect of the Code of Conduct given by the CEO/ Managing Director has been given at Page No. 59 to this Annual Report.

### (iv) Code of Conduct for prevention of Insider Trading:

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Board of Directors of your Company has put in place the following policies/codes:

- a. Code of Conduct for prevention of Insider Trading
- b. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to regulate, monitor and report trading by Insiders
- c. Policy and Procedure for inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information.
- d. Policy on determination of Legitimate Purpose for sharing Unpublished Price Sensitive Information.

All the above Codes/policies are posted on the Company's website [www.ttkprestige.com](http://www.ttkprestige.com).

These Codes of Conduct are applicable to all designated persons as defined in the said Regulation who are expected to have access to unpublished price sensitive information relating to the Company and administered by the Compliance Officer.

- (v) The details relating to the **Performance Evaluation of the Independent Directors** by the entire Board of Directors is given in Page No.45 to this Report.

**Regulation 18 – Audit Committee:**

Compliance to this Regulation is given in Page No. 49 to this Report.

**Regulation 19 – Nomination & Remuneration Committee:**

Compliance to this Regulation is given in Page No.44 to this Report.

**Regulation 20 – Stakeholders Relationship Committee:**

Compliance to this Regulation is given in Page No. 46 to this Report.

**Regulation 21 – Risk Management Committee:**

Compliance to this Regulation is given in Page No. 47 to this Report.

**Regulation 22 – Vigil Mechanism:**

Compliance to this Regulation is given in Page No. 55 to this Report.

**Regulation 23 – Related Party Transactions:**

Compliance to this Regulation is given in Page No. 27 to this Report.

**Regulation 24 – Corporate Governance Requirements with respect to subsidiary:**

Compliance to this Regulation is given in Page No. 55 to this Report.

**Regulation 25 – Obligations with respect to Independent Directors:**

Compliance to this Regulation is given in Page No. 16 to this Report.

**Regulation 26 – Obligations with respect to Directors & Senior Management:**

Disclosures relating to compliance to the directorships in other listed entities, Board level Committee Memberships and Chairmanships are annually provided by the Board of Directors of your Company. Further, notification of the changes in the other directorships, Committee Memberships and Chairmanships are also provided by the Directors. Compliance to this Regulation is given in Page No.42 to this Report.

All the Directors and Senior Management had affirmed compliance to the Code of Conduct of Board of Directors and Senior Management as on 31<sup>st</sup> March, 2020.

**Regulation 27 – Other Corporate Governance Requirements:**

Information relating to this Regulation is given in Page No. 54 to this Report.

**Regulation 46(2)(b)-(i)- Website**

Pursuant to above Regulation, appropriate / requisite information are available on the Company's Website: [www.ttkprestige.com](http://www.ttkprestige.com).

**14. OTHER ADDITIONAL DISCLOSURES [As per Schedule V to the Listing Regulations]:**

**Related Party Disclosure:** Please refer Page 54 to this Report.

**Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report is furnished in Pages 10 to 14 this Annual Report.

**Disclosure on Accounting Treatment:**

In the preparation of financial statements, Generally Accepted Accounting Principles and policies were followed. The mandatory Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 were followed in the preparation of financial statements.

**Declaration by the Chief Executive Officer relating to the affirmation of compliance with the Code of Conduct by the Board of Directors and Senior Management:**

Please refer Page No. 59 to this Report.

**Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance:**

Please refer Page No. 33 to this Report.

**Disclosure with respect to demat suspense account / unclaimed suspense account:**

Your Company does not have any Unclaimed Shares issued in physical form pursuant to Public Issue / Rights Issue.

**Other constituents of the TTK Group within the meaning of "Group" under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include:**

T.T. Krishnamachari & Co. and its partners & relatives of the partners

TTK Healthcare Limited

TTK Services (P) Limited

TTK Property Services (P) Ltd.

TTK Tantex Limited

Cigna Manipal Health Insurance Company Limited

Packwell Packaging Products Limited

Pharma Research & Analytical Laboratories

Peenya Packaging Products

TTK Partners LLP

Immidart Technologies LLP

TTK British Holdings Limited

Horwood Homewares Limited

Horwood Life Limited

**Particulars of Directors seeking appointment / Re-appointment:**

The particulars of the Directors seeking appointment/re-appointment are given under Notice forming part of the Notice to shareholders (Please refer page No. 8 of this Annual Report)

**Reconciliation of Share Capital Audit**

A quarterly audit was conducted by Mr. Parameshwar G. Hegde, Bangalore, Practicing Company Secretary, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the Depositories and the said certificates were submitted to BSE and NSE within the prescribed time limit. 1,37,30,266 Equity Shares representing 99.05% of the Paid-up Equity Capital have been dematerialized as on 31<sup>st</sup> March, 2020.

**CEO/CFO Certification:**

As required under Schedule II – Part B to the Listing Regulations the Managing Director and Chief Financial Officer have furnished the necessary Certificate to the Board of Directors with respect to financial statements and Cash flow statements for the year ended 31<sup>st</sup> March, 2020.

**Adoption of Various Policies:**

Your Company formulated, adopted and disseminated in its website [www.ttkprestige.com](http://www.ttkprestige.com), the following policies, as required under the Listing Regulations:

**Policy for Preservation of Documents** pursuant to the provisions of Regulation 9 Chapter III;

**Policy for Disclosure of Events or Information** pursuant to the provisions of Regulation 30 Chapter IV;

**Policy on dealing with Related Party Transactions** pursuant to the provisions of Regulation 46(2)(g) Chapter IV; and

**Policy for determining material subsidiaries** pursuant to the provisions of Regulation 46(2)(g) Chapter IV.

**Dividend Distribution Policy** pursuant to the provisions of Regulation 43A Chapter IV.

**DECLARATION ON CODE OF CONDUCT**

As required under Schedule V(D) to the SEBI (LODR) Regulations, 2015, it is hereby affirmed that all the Board Members and Senior Management personnel have complied with the Code of Conduct of the Company. It is also confirmed that the Code of Conduct has already been posted on the website of the Company.

Place: Bengaluru  
Date: June 25, 2020

**CHANDRU KALRO**  
Managing Director  
DIN: 03474813

**ANNEXURE-A : Certificate from Company Secretary in Practice****CERTIFICATE**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
[Listing Obligations and Disclosure Requirements] Regulations, 2015)

in pursuance of Sub-clause (i) of Clause 10 of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of TTK Prestige Limited (CIN: L85110TZ1955PLC015049) I hereby certify that:

On the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors, as on March 31, 2020, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

Place: Bengaluru  
Date: 24<sup>th</sup> June, 2020

**Sd/-**  
**P.G. Hegde**  
**Hegde & Hegde**  
Company Secretaries  
FCS: 1325/ C.P. 640  
UDIN: F001325B000372960

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TTK PRESTIGE LIMITED

#### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of TTK Prestige Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of Profit and Loss, including other comprehensive income, standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to:

Note 5.17 to the standalone financial statements, regarding the management's impairment assessment of property, plant and equipment, intangible assets, investments, trade receivables valuation as at 31 March 2020 being considered as unimpaired / recoverable based on the future operations plans and cash flows wherein projections are made based on the various judgments and estimates related to inflation, discount rates, and implications expected to arise from COVID-19 pandemic, wherein actual results could vary.

Our opinion is not modified in respect of the above matter.

#### Key Audit Matter

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the Key Audit Matter to be communicated in our report.

| Sl.No | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | <p><b>Revenue Recognition</b></p> <p>The Company manufactures and trades in a number of products related to kitchen appliances. Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales.</p> <p>Given the variety and large number of sales transactions and estimates involved in discounts etc., revenue recognition is considered a Key Audit Matter.</p> <p>Disclosure Note 5.6 and the accounting policies provide additional information on how the Company accounts for its revenue</p> | <p>Our audit included but was not limited to the following procedures:</p> <p>Our procedures included, among others, obtaining an understanding of the processes and relevant controls relating to the accounting for customer contracts.</p> <p><b>Accounting policies:</b></p> <p>Assessing the appropriateness of the Company's revenue recognition accounting policies, including those relating to discounts, incentives and rebates under Ind AS 115.</p> |

## Standalone Audit Report (Contd...)

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>Control testing:</b><br/>Testing the selected key controls for the revenue recognized throughout the year and calculation of discounts, incentives and rebates, including reviewing the results of testing by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement assertions.</p> <p>Evaluating the IT systems relevant for revenue recognition and the functioning of the related general IT controls.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>• Reviewed sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period.</li> <li>• Performed substantive procedures to understand and validate the basis of provision for schemes and discounts with underlying workings and evidences</li> <li>• Compared the current year estimates of discounts, incentives and rebates to the prior year and, where relevant, completing further inquiries and testing.</li> <li>• Obtained the supporting documentation on sample basis for discounts and incentives given under schemes to agree to the amounts recorded as discounts and incentives during the period.</li> <li>• Critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul> <p><b>Disclosures:</b><br/>Tracing disclosure information to accounting records and other supporting documentation.</p> |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the board's report, business responsibility report and report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Management and Those Charged with Governance for Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness

## Standalone Audit Report (Contd...)

of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## Standalone Audit Report (Contd...)

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The standalone balance Sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone cash flow Statement and the standalone statement of Changes in Equity dealt with by this report are in agreement with the books of account
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) At this juncture, we are unable to comment whether the matter described in the Emphasis of Matter paragraph above, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its Standalone financial statements Refer Note 5.9.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 5.3
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2020.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAAADA8771

## ANNEXURE A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of TTK Prestige Limited ("the Company") on the standalone financial statements as of and for the year ended 31 March 2020.

- (i) In respect of the Company's fixed assets :
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of the land and buildings which are freehold, are held in the name of the Company as at Balance Sheet date, except for land at Khardi plant carried in books at ₹ 2.48 Crores acquired pursuant to a scheme of demerger for which transfer of title in the name of the company is under progress. In respect of immovable properties of land and building that have been taken on lease and disclosed as right of use assets in the standalone financial statements, the lease agreements are in the name of the Company
- (ii) The Company has conducted physical verification of inventories at reasonable intervals. Discrepancies noticed on such verification have been properly dealt with in the books of account.
- (iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act and hence 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees, and securities, as applicable.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of the Act and the rules made there under and hence clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax(GST), cess and any other statutory dues as applicable with the appropriate authorities.  
 According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax(GST), cess and any other statutory dues were in arrears, as at 31 March 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Income-tax, Sales Tax, Service tax, Goods and Services Tax(GST), Duty of customs, Excise duty and Value added tax as at 31 March 2020, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

| Name of Statute      | Nature of Dues | Amount of Disputed Dues (₹ in Crores) | Period to which amounts relates | Forum Where Dispute is Pending |
|----------------------|----------------|---------------------------------------|---------------------------------|--------------------------------|
| Finance Act, 1994    | Service Tax    | 7.98                                  | April 2010 to June 2017         | CESTAT                         |
| Income Tax Act, 1961 | Income Tax     | 0.12                                  | 2010-12                         | CIT (Appeals)                  |
| Income Tax Act, 1961 | Income Tax     | 0.68                                  | 2008-09                         | Karnataka High Court           |
| Karnataka Sales Tax  | Sales Tax      | 2.20                                  | 1987-90                         | Karnataka High Court           |
| Odisha VAT           | VAT            | 0.05                                  | 2012-14                         | Joint Commissioner             |

| Name of Statute                                | Nature of Dues | Amount of Disputed Dues (₹ in Crores) | Period to which amounts relates | Forum Where Dispute is Pending |
|------------------------------------------------|----------------|---------------------------------------|---------------------------------|--------------------------------|
| Odisha Entry Tax                               | Entry Tax      | 0.37                                  | 1st April 2014 to 30th Sep 2015 | Deputy Commissioner            |
| Odisha VAT                                     | VAT            | 0.06                                  | 1st April 2014 to 30th Sep 2015 | Deputy Commissioner            |
| Odisha CST                                     | CST            | 0.01                                  | 1st April 2014 to 30th Sep 2015 | Deputy Commissioner            |
| Odisha Entry Tax                               | Entry Tax      | 0.19                                  | 2012-14                         | Joint Commissioner             |
| West Bengal CST                                | CST            | 0.16                                  | 2014-17                         | Joint Commissioner             |
| West Bengal Entry Tax                          | Entry Tax      | 0.03                                  | 2016-17                         | Joint Commissioner             |
| Kerala VAT                                     | CST            | 0.04                                  | 2013-14                         | Joint Commissioner             |
| Madhya Pradesh Goods and Service Tax Act, 2017 | GST            | 0.09                                  | 2018-19                         | GST Appellate Authority        |
| Assam CST                                      | CST            | 0.23                                  | 2013-18                         | Joint Commissioner             |

- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting on defaults in repayment of loans under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) Based on our audit procedures and as per the information and explanations given to us, Managerial remuneration paid/provided during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, the provisions of clause (xii) of the Order are not applicable.
- (xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- (xiv) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any preferential allotment/private placement of shares/ fully or partly convertible debentures during the year under review.
- (xv) Based on our audit procedures and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934.

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAADA8771



## **ANNEXURE B**

**Referred to in paragraph 2(g) on 'Report on Other Legal and Regulatory Requirements' of our report of even date**

### **Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of TTK Prestige Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAADA8771

**STANDALONE BALANCE SHEET AS AT 31ST MARCH 2020**

(₹ in Crores)

| Particulars                                                      | Note  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|------------------------------------------------------------------|-------|--------------------------|--------------------------|
| <b>ASSETS</b>                                                    |       |                          |                          |
| <b>Non-Current Assets</b>                                        |       |                          |                          |
| Property, Plant and Equipment                                    | 3.1 A | 410.34                   | 369.49                   |
| Right-of-Use-Assets                                              | 3.1 B | 15.48                    | -                        |
| Capital work-in-progress                                         | 3.1 C | 5.73                     | 20.60                    |
| Other Intangible Assets                                          | 3.1 D | 2.09                     | 2.39                     |
| Financial Assets                                                 |       |                          |                          |
| - Investments                                                    | 3.2   | 173.58                   | 155.45                   |
| Other Non-current Assets                                         | 3.3   | 23.60                    | 19.66                    |
| <b>Current Assets</b>                                            |       |                          |                          |
| Inventories                                                      | 3.4   | 403.98                   | 404.74                   |
| Financial Assets                                                 |       |                          |                          |
| - Investments                                                    | 3.5   | 330.95                   | 165.53                   |
| - Trade Receivables                                              | 3.6   | 255.96                   | 287.59                   |
| - Cash and Cash Equivalents                                      | 3.7   | 35.06                    | 60.25                    |
| - Bank Balances other than above                                 | 3.8   | 4.53                     | 2.33                     |
| - Other Current Financial Assets                                 | 3.9   | 3.73                     | 3.63                     |
| Current Tax Assets (Net)                                         | 3.10  | -                        | 0.11                     |
| Other Current Assets                                             | 3.11  | 44.10                    | 40.22                    |
| <b>Total Assets</b>                                              |       | <b>1,709.13</b>          | <b>1,531.99</b>          |
| <b>EQUITY AND LIABILITIES</b>                                    |       |                          |                          |
| <b>Equity</b>                                                    |       |                          |                          |
| Equity Share Capital                                             | 3.12  | 13.86                    | 11.56                    |
| Other Equity                                                     | 3.13  | 1,286.68                 | 1,142.11                 |
| <b>Liabilities</b>                                               |       |                          |                          |
| <b>Non-Current Liabilities</b>                                   |       |                          |                          |
| Financial Liabilities                                            |       |                          |                          |
| -Lease Liabilities                                               |       | 9.67                     | -                        |
| Provisions                                                       | 3.14  | 4.45                     | 2.98                     |
| Deferred Tax Liabilities (net)                                   | 3.15  | 32.28                    | 43.69                    |
| <b>Current Liabilities</b>                                       |       |                          |                          |
| Financial Liabilities                                            |       |                          |                          |
| - Lease Liabilities                                              |       | 4.51                     | -                        |
| - Trade Payables                                                 |       |                          |                          |
| Total Outstanding dues to Micro and Small Enterprises            | 3.16  | 31.72                    | 19.44                    |
| Total Outstanding dues to other than Micro and Small Enterprises |       | 155.04                   | 173.37                   |
| - Other financial liabilities                                    | 3.17  | 124.52                   | 98.37                    |
| Other Current Liabilities                                        | 3.18  | 27.81                    | 21.72                    |
| Provisions                                                       | 3.19  | 18.59                    | 18.75                    |
| <b>Total Equity and Liabilities</b>                              |       | <b>1,709.13</b>          | <b>1,531.99</b>          |

**Significant Accounting Policies and Notes on Accounts 2 to 5**

The notes referred to above form an integral part of the audited financial statements

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 0039905/S200018

For and on behalf of the Board

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholtime Director & Secretary  
DIN No.: 00043205

Place : Bengaluru  
Date : 25<sup>th</sup> June 2020

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

## STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

| Particulars                                                                                                        | Note | For Year Ended<br>31 March 2020 | For Year Ended<br>31 March 2019 |
|--------------------------------------------------------------------------------------------------------------------|------|---------------------------------|---------------------------------|
| Revenue from Operations(Net of Discounts)                                                                          | 4.1  | 1,936.79                        | 1,968.02                        |
| Other Income                                                                                                       | 4.2  | 24.61                           | 25.60                           |
| <b>Total Income</b>                                                                                                |      | <b>1,961.40</b>                 | <b>1,993.62</b>                 |
| <b>Expenses</b>                                                                                                    |      |                                 |                                 |
| Cost of Materials Consumed                                                                                         |      | 426.35                          | 477.14                          |
| Purchase of Stock in Trade                                                                                         |      | 688.63                          | 687.40                          |
| Changes in Inventory of Finished Goods, Stock in Trade and Work in Progress                                        | 4.3  |                                 |                                 |
| i) Work in Progress                                                                                                |      | 1.10                            | (4.61)                          |
| ii) Finished Goods                                                                                                 |      | (0.31)                          | (27.23)                         |
| iii) Stock in Trade                                                                                                |      | 0.02                            | (2.16)                          |
| Employee Benefits Expense and Payment to Contractors                                                               | 4.4  | 167.12                          | 165.25                          |
| Finance Costs                                                                                                      | 4.5  | 2.71                            | 1.91                            |
| Depreciation and Amortisation                                                                                      | 4.6  | 34.62                           | 26.00                           |
| Other Expenses                                                                                                     | 4.7  | 392.95                          | 386.35                          |
| <b>Total Expenses</b>                                                                                              |      | <b>1,713.19</b>                 | <b>1,710.05</b>                 |
| <b>Profit before Exceptional Items and Tax</b>                                                                     |      | <b>248.21</b>                   | <b>283.57</b>                   |
| - Exceptional items                                                                                                |      | -                               | -                               |
| <b>Profit Before Tax</b>                                                                                           |      | <b>248.21</b>                   | <b>283.57</b>                   |
| <b>Tax Expense</b>                                                                                                 |      |                                 |                                 |
| Current Tax                                                                                                        | 4.8  | 61.11                           | 90.55                           |
| Deferred Tax                                                                                                       | -    | (11.41)                         | 2.71                            |
| <b>Profit for the Year</b>                                                                                         |      | <b>198.51</b>                   | <b>190.31</b>                   |
| <b>Other Comprehensive Income</b>                                                                                  |      |                                 |                                 |
| <b>Items that will not be reclassified to profit or loss</b>                                                       |      |                                 |                                 |
| Remeasurements of Defined Benefit Plan Actuarial Gains/ (Losses)                                                   |      | (1.97)                          | (0.74)                          |
| Change in Fair Value of Equity Instruments Designated Irrevocably as FVTOCI                                        |      | (0.05)                          | (0.05)                          |
| Income Tax Expense on above                                                                                        |      | 0.51                            | 0.28                            |
|                                                                                                                    |      | <b>(1.51)</b>                   | <b>(0.51)</b>                   |
| <b>Items that will be reclassified to Profit or Loss</b>                                                           |      | -                               | -                               |
| <b>Total Other Comprehensive Income for the year</b>                                                               |      | <b>(1.51)</b>                   | <b>(0.51)</b>                   |
| <b>Total Comprehensive Income for the year<br/>(Comprising profit and other comprehensive income for the year)</b> |      | <b>197.00</b>                   | <b>189.80</b>                   |
| <b>Earnings per equity share(Face Value ₹ 10/- each)</b>                                                           |      |                                 |                                 |
| (1) Basic(₹)                                                                                                       | 5.8  | 143.21                          | 137.30                          |
| (2) Diluted(₹)                                                                                                     |      | 143.21                          | 137.30                          |

## Significant Accounting Policies and Notes on Accounts 2 to 5

The notes referred to above form an integral part of the audited financial statements

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

T.T. Jagannathan

Chairman

DIN No.: 00191522

Chandru Kalro

Managing Director

DIN No.: 03474813

Seethalakshmi M

Partner

Membership No. 208545

Dileep Kumar Krishnaswamy

Director

DIN No.: 00176595

K.Shankaran

Wholtime Director &amp; Secretary

DIN No.: 00043205

Place : Bengaluru

Date : 25<sup>th</sup> June 2020

V. Sundaresan

Chief Financial Officer

PAN No.: AKEPS1782M

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2020**

(₹ in Crores)

| Particulars                                                     | For Year Ended<br>31 March 2020 | For Year Ended<br>31st March 2019 |
|-----------------------------------------------------------------|---------------------------------|-----------------------------------|
| <b>Cash Flows from Operating Activities</b>                     |                                 |                                   |
| Net Profit before tax                                           | 248.21                          | 283.57                            |
| Adjustments:                                                    |                                 |                                   |
| - Interest Income                                               | (4.79)                          | (9.30)                            |
| - (Profit)/Loss on sale of Property, Plant and Equipment        | 0.11                            | (0.16)                            |
| - OCI effects                                                   | (1.51)                          | (0.52)                            |
| - Dividend income                                               | (10.44)                         | (8.57)                            |
| - Income from Investment Property                               | -                               | -                                 |
| - Profit on sale of investments                                 | -                               | -                                 |
| - Interest expense                                              | 2.71                            | 1.91                              |
| - Depreciation and amortization                                 | 34.62                           | 26.00                             |
| <b>Operating cash flow before working capital changes</b>       | <b>268.91</b>                   | <b>292.93</b>                     |
| <b>Changes in</b>                                               |                                 |                                   |
| - Trade Receivables                                             | 31.63                           | (45.43)                           |
| - Financial Assets and other Current and Non-current Assets     | (3.84)                          | (5.20)                            |
| - Inventories                                                   | 0.76                            | (37.56)                           |
| - Liabilities and Provisions (Current and Non-current)          | 33.55                           | 7.92                              |
| - Trade Payables                                                | (6.05)                          | (32.33)                           |
| <b>Cash generated from operations</b>                           | <b>324.96</b>                   | <b>180.33</b>                     |
| Income taxes paid (Net of Refunds)                              | (67.04)                         | (90.55)                           |
| <b>Cash generated from / (used in) operations</b>               | <b>257.92</b>                   | <b>89.78</b>                      |
| <b>Cash Flows from Investing Activities</b>                     |                                 |                                   |
| Purchase of Property, Plant and Equipment                       | (55.36)                         | (55.76)                           |
| Proceeds from sale of Property, Plant and Equipment             | -                               | -                                 |
| Investment in subsidiaries                                      | (44.48)                         | (19.13)                           |
| Investment in Mutual Funds/Term Deposits with Banks             | (141.27)                        | 39.12                             |
| Interest received                                               | 4.79                            | 9.30                              |
| Dividends received                                              | 10.44                           | 8.57                              |
| <b>Net cash generated from/(used in) investing activities</b>   | <b>(225.88)</b>                 | <b>(17.90)</b>                    |
| <b>Cash Flows from Financing Activities</b>                     |                                 |                                   |
| Dividend Paid (including dividend distribution tax)             | (50.13)                         | (41.78)                           |
| Interest paid/Finance Cost                                      | (1.44)                          | (1.91)                            |
| Repayment of Lease Liabilities                                  | (5.66)                          | -                                 |
| <b>Net Cash used in Financing Activities</b>                    | <b>(57.23)</b>                  | <b>(43.69)</b>                    |
| <b>Increase in cash and cash equivalents</b>                    | <b>(25.19)</b>                  | <b>28.19</b>                      |
| <b>Cash and cash equivalents at the beginning of the year</b>   | <b>60.25</b>                    | <b>32.06</b>                      |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>35.06</b>                    | <b>60.25</b>                      |
| <b>Components of cash and cash equivalents (refer note 3.7)</b> |                                 |                                   |
| Cash on hand                                                    | 0.09                            | 0.03                              |
| <b>Balances with banks</b>                                      |                                 |                                   |
| - in Current Accounts                                           | 34.97                           | 20.22                             |
| - in Fixed Deposits (Maturing less than 3 months)               | -                               | 40.00                             |
| <b>Total Cash and Cash Equivalents</b>                          | <b>35.06</b>                    | <b>60.25</b>                      |

**Notes:**

Prepared under Indirect Method as set out in Ind AS 7-Statement of Cash Flows.

As the company does not have borrowings at the beginning or at the end of the current year, disclosures of details of changes in liabilities arising from financing activities are not applicable.

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

T.T. Jagannathan

Chairman

DIN No.: 00191522

Chandru Kalro

Managing Director

DIN No.: 03474813

Seethalakshmi M

Partner

Membership No. 208545

Dileep Kumar Krishnaswamy

Director

DIN No.: 00176595

K.Shankaran

Wholetime Director &amp; Secretary

DIN No.: 00043205

Place : Bengaluru

Date : 25<sup>th</sup> June 2020

V. Sundaresan

Chief Financial Officer

PAN No.: AKEPS1782M

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

| A. EQUITY SHARE CAPITAL                          |  | Notes | Balance | Reserves and Surplus       |                 |                     |                 |                            |                   | Total              |          |
|--------------------------------------------------|--|-------|---------|----------------------------|-----------------|---------------------|-----------------|----------------------------|-------------------|--------------------|----------|
| As at 31st March 2018                            |  | 3.12  | 11.56   |                            |                 |                     |                 |                            |                   |                    |          |
| Changes in equity share capital during the year  |  |       | -       |                            |                 |                     |                 |                            |                   |                    |          |
| As at 31st March 2019                            |  | 3.12  | 11.56   |                            |                 |                     |                 |                            |                   |                    |          |
| Changes in equity share capital during the year  |  |       | 2.30    |                            |                 |                     |                 |                            |                   |                    |          |
| As at 31st March 2020                            |  | 3.12  | 13.86   |                            |                 |                     |                 |                            |                   |                    |          |
|                                                  |  |       |         |                            |                 |                     |                 |                            |                   |                    |          |
| Particulars                                      |  |       |         | Securities Premium Reserve | General Reserve | Revaluation Reserve | Capital Reserve | Capital Redemption Reserve | Retained Earnings | Other Items of OCI | Total    |
| Balance as at April 1, 2018                      |  |       |         | 40.19                      | 180.10          | 2.15                | 15.39           | 0.10                       | 756.82            | (0.66)             | 994.09   |
| Current Year profits                             |  |       |         | -                          | -               | -                   | -               | -                          | 190.31            | -                  | 190.31   |
| Dividends                                        |  |       |         | -                          | -               | -                   | -               | -                          | (41.78)           | -                  | (41.78)  |
| Transfer to retained earnings                    |  |       |         | -                          | 20.00           | -                   | -               | -                          | (20.00)           | -                  | -        |
| Fair Valuation of Equity Instruments through OCI |  |       |         | -                          | -               | -                   | -               | -                          | -                 | (0.05)             | (0.05)   |
| Actuarial Gain/Loss on Defined Benefit Plans     |  |       |         | -                          | -               | -                   | -               | -                          | (0.46)            | -                  | (0.46)   |
| Balance as at March 31, 2019                     |  |       |         | 40.19                      | 200.10          | 2.15                | 15.39           | 0.10                       | 884.89            | (0.71)             | 1,142.11 |

| Particulars                                      | Reserves and Surplus       |                 |                     |                 |                            |                   | Total           |
|--------------------------------------------------|----------------------------|-----------------|---------------------|-----------------|----------------------------|-------------------|-----------------|
|                                                  | Securities Premium Reserve | General Reserve | Revaluation Reserve | Capital Reserve | Capital Redemption Reserve | Retained Earnings |                 |
| Balance as at April 1, 2019                      | 40.19                      | 200.10          | 2.15                | 15.39           | 0.10                       | 884.89            | 1,142.11        |
| Current Year Profits                             | -                          | -               | -                   | -               | -                          | 198.51            | 198.51          |
| Bonus Issue of Shares                            | (2.31)                     | -               | -                   | -               | -                          | -                 | (2.31)          |
| Cancellation of Forfeited Shares                 | (0.11)                     | -               | -                   | 0.12            | -                          | -                 | 0.01            |
| Dividends                                        | -                          | -               | -                   | -               | -                          | (50.13)           | (50.13)         |
| Transfer to retained earnings                    | -                          | 20.00           | -                   | -               | -                          | (20.00)           | -               |
| Fair Valuation of Equity Instruments through OCI | -                          | -               | -                   | -               | -                          | -                 | (0.05)          |
| Actuarial Gain/Loss on Defined Benefit Plans     | -                          | -               | -                   | -               | -                          | (1.46)            | (1.46)          |
| <b>Balance as at March 31, 2020</b>              | <b>37.77</b>               | <b>220.10</b>   | <b>2.15</b>         | <b>15.51</b>    | <b>0.10</b>                | <b>1,011.81</b>   | <b>1,286.68</b> |

**Nature and purpose of reserves:**

- (a) **Capital reserve:** The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to Capital reserve.
- (b) **Securities premium Reserve :** Securities premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- (c) **Capital redemption reserve:** As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of the Companies Act, 2013.
- (d) **General reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

**Significant Accounting Policies and Notes on Accounts 2 to 5**

The notes referred to above form an integral part of the audited financial statements

*As per our audit report of even date attached*

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/IS200018

*For and on behalf of the Board*

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**

Partner

Membership No. 208545

**Dileep Kumar Krishnaswamy**

Director

DIN No.: 00176595

**K.Shankaran**

Wholesale Director & Secretary

DIN No.: 00043205

**Place : Bengaluru**

**Date : 25<sup>th</sup> June 2020**

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 1. Corporate Information

TTK Prestige Limited ('TTK' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at Plot No.38, SIPCOT Industrial Complex, Hosur, Tamilnadu – 635126. The Company's shares are listed and traded on Stock Exchanges in India. The Company is primarily engaged in the business of Kitchen and Home Appliances.

## 2. Significant Accounting Policies

## a. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Sec 133 of the Companies Act 2013 and other relevant provisions of the Act as amended thereto.

**New & Amended standards adopted:****Ind AS 116 – 'Leases'**

Ind AS 116 'Leases' provides a new model for lease accounting in which the majority of leases have been accounted for by the recognition on the balance sheet of a right-of-use asset and a lease liability. The subsequent amortization of the right-of-use asset and the interest expense related to the lease liability have been recognized in profit or loss over the lease term.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 using the modified retrospective approach without adjusting the retained earnings. Accordingly, the Company has not restated comparative information

The presentation and timing of recognition of charges in the statement of profit and loss also changed as the operating lease expense reported under Ind AS 17, typically on a straight-line basis, has been replaced by depreciation of the right-of-use asset and interest on the lease liability. In the cash flow statement, operating lease payments presented within cash flows from operating activities under Ind AS 17 but under Ind AS 116 payments have been presented as financing cash flows, representing repayments of debt.

**Other Amendments to the existing standards**

A number of other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

- a) business combination accounting in case of obtaining control of a joint operation;
- b) accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;

- c) income tax consequences in case of dividends;
- d) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- e) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- f) accounting for prepayment features with negative compensation in case of debt instruments;
- g) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;
- h) accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture (long-term interests).

The above amendments did not have any material impact on the financial statements for the current year.

**New Standards notified but not effective - None**

## b. Basis of preparation and presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

As the operating cycle cannot be identified easily in normal course, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

## c. Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed in line with the Company's accounting policies. For this analysis, the company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### d. Use of Estimates and Judgments:

In the application of the Company's accounting policies, the Management of the Company are required to make judgments. The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and

assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are provided in Note 5.1

### e. Financial Instruments

#### 1. Financial Assets - Investment in subsidiaries, associates and joint ventures:

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

#### 1 (a) Financial Assets - Other than investment in subsidiaries, associates and joint ventures

Financial assets other than investment in subsidiaries, associates and joint ventures comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

#### Initial recognition:

All financial assets are recognized initially at Fair value or in case of financial assets not recorded at FVTPL, transaction costs that are attributable to the Acquisition of the financial asset. Purchase or sales of financial asset within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date.

#### Subsequent measurement:

##### (i) Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of profit and loss.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The Company while applying above criteria has classified the following at amortized cost

- a) Trade receivable
- b) Other financial assets

(ii) *Financial asset at FVTOCI*

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income.

Equity instruments held for trading are classified as FTVPL. For other equity instruments the Company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity instruments at FVTOCI excluding dividends, are recognized in other comprehensive income (OCI).

(iii) *Financial asset at FVTPL*

Financial asset are measured at fair value through Profit and loss if it does not meet the criteria for classification as measured at amortized cost or at fair value through other comprehensive income. All fair value changes are recognized in the Statement of Profit and loss.

**1 (b) De-recognition on financial asset:**

Financial assets are de-recognized when the contractual right to cash flows from the financial asset expires or the financial asset is transferred and the transfer qualifies for De-recognition. On De-recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of De-recognition) and the consideration received (including any new asset obtained less any new liability Assumed) shall be recognized in the statement of profit and loss (except for equity instruments designated as FVTOCI).

**1 (c) Impairment of financial asset:**

Trade receivables under IND AS 109, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for their respective financial asset.

(i) Trade receivable:

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based

on historical loss rate reflecting future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets:

Other financial assets are tested for impairment and expected credit losses are measured at an amount equal to 12 month expected credit loss. If the credit risk on the financial asset has increased significantly since initial recognition, then the expected credit losses are measured at an amount equal to life-time expected credit loss.

**2. Financial Liabilities:**

Initial recognition and measurement:

Financial liabilities are initially recognized at fair value plus any transaction cost that are attributable to the acquisition of financial liability except financial liabilities at fair value through profit and loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories

- at amortized cost
- at fair value through profit and loss

**De-recognition of financial liabilities**

A financial liability is derecognized when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**3. Derivative Financial Instruments:**

Foreign exchange forward contracts and options are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts that do not qualify for hedge accounting under IND AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured through Profit or Loss. Gains or loss arising from changes in the fair value of the derivative contracts are recognized in profit or loss.

**4. Offsetting of Financial Assets and Liabilities:**

Financial assets and liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### 5. Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business are expected to be infrequent.

### f. Property, plant and equipment

Property plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of Property, Plant and equipment have differential useful life, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and equipment and are recognized net within other income/ other expenses in the statement of profit and loss account.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The cost of day to day servicing is recognized in the statement of profit and loss account. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation on fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been re-assessed as under based on technical evaluation, taking into the account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties, maintenance support, etc.

- Plant and machinery – 5 to 20 years
- Electrical installations and equipment – 5 to 20 years
- Tools and Moulds - 3 to 10 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate

### g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is de-recognized.

Software is amortized @ 20% on straight line basis.

### h. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is de-recognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognized.

#### i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

#### j. Leases

On inception of a contract, the company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company statement of financial position as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets or renewal of the leases at the end of the lease term, recognised right-of-use assets are depreciated to a residual value over the shorter of their estimated

useful life or lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Company has opted not to apply the lease accounting model to leases of lowvalue assets or leases which have a term of less than 12 months.

#### k. Foreign Currency Transactions

##### • Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### • Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

### **l. Cash and cash equivalents (for the purpose of cash flow statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

### **m. Inventories**

Inventories are valued at the lower of cost (computed on a Weighted Average basis) or net realizable value. Cost includes the cost of purchase including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts, rebates and benefits are deducted in determining the cost of purchase. Net realizable value represents the estimated selling price for the inventories less all estimated costs of completion and costs necessary to make the sale.

Finished goods and Work in Progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### **n. Provisions**

#### **General**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### **Warranty provisions**

Provisions for warranty-related costs are recognized when the goods are sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### **o. Revenue recognition**

#### **• Revenue from Sale of goods:**

Sales are stated at net of returns and GST. Sales Revenue is recognized when:

Revenue is recognized at a point in time upon transfer of control over the products sold to customers which generally coincides with the delivery of goods at customer premises.

The goods are often sold with volume discounts based on aggregate sales over a defined period typically ranging between 1 month -12 months. Revenue from these sales are recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. The Company adjusts estimate of revenue at the earlier of when the most likely amount of consideration company expects to receive changes or when the consideration becomes fixed. No element of financing is deemed present as the sales are made with a credit term of 30-120 days, which is consistent with market practice. The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision, see note 3.19 for details.

#### **• Interest income**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

is included in finance income in the statement of profit and loss. Interest arising on overdue bills is recognized on date of reliable measurement being the date of settlement.

- **Dividend income**

Dividend income from investments is accounted for when the right to receive the payment is established.

**p. Employee Benefits**

- **Defined Contribution plan (Provident fund)**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognized as an expense in the Statement of Profit and Loss. The contributions as specified under the law are paid to respective Regional Provident fund commissioner.

- **Defined Contribution plan (Superannuation)**

The eligible employees of the Company are entitled to receive benefits under the superannuation scheme, a defined contribution plan, in which the Company makes annual contributions of a specified sum, which is recognized as an expense in the Statement of Profit and Loss. The Contributions are by way of annual premium payable in respect of a superannuation policy issued by the Life Insurance Corporation of India, which confers benefits to retired/resigned employees based on policy norms. No other liabilities are incurred by the Company in this regard.

- **Defined Benefit plans (Gratuity and compensated absences)**

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

Past service cost is recognized in Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in statement profit and loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

- **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation, carried out at the balance sheet date.

- **Other Employee Benefits**

Other benefits, comprising of Leave Travel Allowances, are determined on an undiscounted basis and recognized based on the likely entitlement thereof.

- **Termination Benefits**

A liability for a termination benefit is recognized at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognizes any related restructuring costs.

**q. Taxes**

- **Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the taxable income of the year. The tax rates and tax laws used for computation of current tax includes those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current tax is recognized in the statement of profit and loss except to the extent it relates to an item recognized directly in equity. Management

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

• **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and a liability in the financial statements and the corresponding tax base used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of the report period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

• **Current and Deferred tax charge for the year**

Current and deferred tax are recognized in the Statement of profit and loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

**r. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.1 A - Property Plant and Equipments

(₹ in Crores)

| Description                          | Land  | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Electrical Installations | Tools Moulds and Dies | Total  |
|--------------------------------------|-------|-----------|---------------------|------------------------|----------|------------------|--------------------------|-----------------------|--------|
| <b>Cost/Deemed Cost</b>              |       |           |                     |                        |          |                  |                          |                       |        |
| <b>As at 01 April 2018</b>           | 38.79 | 164.15    | 165.95              | 9.53                   | 2.78     | 5.24             | 28.99                    | 12.67                 | 428.10 |
| Additions during the year            | -     | 3.55      | 22.32               | 6.42                   | 0.20     | 4.19             | 0.15                     | 1.93                  | 38.76  |
| Adjustment during the year           | -     | -         | -                   | -                      | -        | (1.29)           | -                        | -                     | (1.29) |
| Deletions during the year            | -     | -         | (0.25)              | -                      | (1.18)   | -                | -                        | -                     | (1.43) |
| <b>As at 31 March 2019</b>           | 38.79 | 167.70    | 188.02              | 15.95                  | 1.80     | 8.14             | 29.14                    | 14.60                 | 464.14 |
| Additions during the year            | 4.49  | 37.92     | 10.58               | 5.56                   | 0.13     | 2.34             | 4.45                     | 3.42                  | 68.89  |
| Adjustment during the year           | -     | -         | -                   | -                      | -        | 0.01             | (0.01)                   | -                     | -      |
| Deletions during the year            | -     | (0.03)    | (3.14)              | (0.16)                 | (0.55)   | (0.21)           | (0.22)                   | (0.01)                | (4.32) |
| <b>As at 31 March 2020</b>           | 43.28 | 205.59    | 195.46              | 21.35                  | 1.38     | 10.28            | 33.36                    | 18.01                 | 528.71 |
| <b>Depreciation and Amortization</b> |       |           |                     |                        |          |                  |                          |                       |        |
| <b>As at 01 April 2018</b>           | -     | 17.74     | 38.00               | 3.35                   | 1.34     | 2.13             | 6.19                     | 2.02                  | 70.77  |
| Charge for the year                  | -     | 6.18      | 13.54               | 1.22                   | 0.47     | 0.65             | 1.91                     | 1.14                  | 25.11  |
| Adjustment for the year              | -     | -         | -                   | -                      | -        | -                | -                        | -                     | -      |
| Deletions during the year            | -     | -         | (0.24)              | -                      | (0.99)   | -                | -                        | -                     | (1.23) |
| <b>As at 31 March 2019</b>           | -     | 23.92     | 51.30               | 4.57                   | 0.82     | 2.78             | 8.10                     | 3.16                  | 94.65  |
| Charge for the year                  | -     | 6.43      | 14.16               | 1.92                   | 0.31     | 1.37             | 1.65                     | 1.87                  | 27.71  |
| Adjustment for the year              | -     | -         | -                   | -                      | -        | -                | -                        | -                     | -      |
| Deletions during the year            | -     | (0.03)    | (2.85)              | (0.16)                 | (0.51)   | (0.21)           | (0.22)                   | (0.01)                | (3.99) |
| <b>As at 31 March 2020</b>           | -     | 30.32     | 62.61               | 6.33                   | 0.62     | 3.94             | 9.53                     | 5.02                  | 118.37 |
| <b>Net Book Value</b>                |       |           |                     |                        |          |                  |                          |                       |        |
| <b>As at 31 March 2020</b>           | 43.28 | 175.27    | 132.85              | 15.02                  | 0.76     | 6.34             | 23.83                    | 12.99                 | 410.34 |
| <b>As at 31 March 2019</b>           | 38.79 | 143.78    | 136.72              | 11.38                  | 0.98     | 5.36             | 21.04                    | 11.44                 | 369.49 |

Note :

a) Properties at Karjan Plant having carrying value of ₹ 206.37 Crores (PY ₹175.74 Crores) have been offered as security to Hongkong and Shanghai Banking Corporation against the guarantee issued by the company in favor of TTK British Holdings Limited (100 % subsidiary) in respect of their borrowings.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.1 B - Right of use Assets**

(₹ in Crores)

| Description                 | Buildings    | Vehicles    | Total        |
|-----------------------------|--------------|-------------|--------------|
| <b>As at 1st April 2018</b> | -            | -           | -            |
| Additions during the year   | -            | -           | -            |
| Adjustment during the year  | -            | -           | -            |
| Deletions during the year   | -            | -           | -            |
| <b>As at 1st April 2019</b> | 13.05        | 0.85        | 13.90        |
| Additions during the year   | 6.56         | 0.07        | 6.63         |
| Adjustment during the year  | -            | -           | -            |
| Deletions during the year   | -            | -           | -            |
| <b>As at 31 March 2020</b>  | <b>19.61</b> | <b>0.92</b> | <b>20.53</b> |
| <b>Depreciation</b>         |              |             |              |
| <b>As at 1st April 2018</b> | -            | -           | -            |
| Depreciation                | -            | -           | -            |
| Impairment                  | -            | -           | -            |
| <b>As at 1st April 2019</b> | -            | -           | -            |
| Depreciation                | 4.85         | 0.20        | 5.05         |
| Impairment                  | -            | -           | -            |
| <b>As at 31 March 2020</b>  | <b>4.85</b>  | <b>0.20</b> | <b>5.05</b>  |
| <b>Net Book Value</b>       |              |             |              |
| <b>As at 31 March 2020</b>  | <b>14.76</b> | <b>0.72</b> | <b>15.48</b> |
| <b>As at 31 March 2019</b>  | -            | -           | -            |

**3.1 C - Capital Work in Progress**

| Book Value               |                             |                                        |                                         |                                      |                             |                             |                                        |                                         |                                      |                             |
|--------------------------|-----------------------------|----------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------|-----------------------------|----------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------|
| Description              | Total as at 01st April 2018 | Additions/ Adjustments during the year | Deductions/ Adjustments during the year | Impairment/ Reversal During the Year | Total as at 31st March 2019 | Total as at 01st April 2019 | Additions/ Adjustments during the year | Deductions/ Adjustments during the year | Impairment/ Reversal During the Year | Total as at 31st March 2020 |
| Capital Work in Progress | 4.33                        | 20.60                                  | 4.33                                    | -                                    | 20.60                       | 20.60                       | 45.92                                  | 60.79                                   | -                                    | 5.73                        |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.1 D - Intangible Assets

(₹ in Crores)

| Description                        | Computers Software |
|------------------------------------|--------------------|
| <b>As at 1st April 2018</b>        | 4.35               |
| Additions during the year          | 1.10               |
| Adjustment during the year         | 1.29               |
| Deletions during the year          | -                  |
| <b>As at 1st April 2019</b>        | 6.74               |
| Additions during the year          | 1.56               |
| Adjustment during the year         | -                  |
| Deletions during the year          | -                  |
| <b>As at 31 March 2020</b>         | 8.30               |
| <b>Amortization and Impairment</b> |                    |
| <b>As at 1st April 2018</b>        | 3.46               |
| Amortization                       | 0.89               |
| Impairment/ Reversals              | -                  |
| <b>As at 1st April 2019</b>        | 4.35               |
| Amortization                       | 1.86               |
| Impairment/ Reversals              | -                  |
| <b>As at 31 March 2020</b>         | 6.21               |
| <b>Net Book Value</b>              |                    |
| <b>As at 31 March 2020</b>         | 2.09               |
| <b>As at 31 March 2019</b>         | 2.39               |

## 3.2 Investments (Non Current)

| Particulars                                                                              | 31-Mar-20     | 31-Mar-19     |
|------------------------------------------------------------------------------------------|---------------|---------------|
| Investments in Equity Instruments - Fully Paid UP                                        |               |               |
| (i) Subsidiary (Unquoted)                                                                |               |               |
| TTK British Holdings Limited (CY 1,87,00,000 Shares PY 1,37,00,000 Shares of GBP 1 each) | 173.53        | 129.05        |
| (ii) Other - Quoted (At Fair value through OCI)                                          |               |               |
| TTK Healthcare Limited (CY 1440 Shares, PY 1440 Shares)                                  | 0.05          | 0.10          |
| (iii) Investment in Non - Convertible Debentures and Bonds (Amortized Cost)              |               |               |
| Edelweiss Asset Reconstruction Company Limited -Nil (P.Y. 2630 units)                    | -             | 26.30         |
| (Coupon Rate 21.98%, Redemption Date-16th Feb 2021)                                      |               |               |
| <b>Total</b>                                                                             | <b>173.58</b> | <b>155.45</b> |

## Foot Note:

## (i) Aggregate Amount of Quoted Investment

| Particulars   | 31-Mar-20 | 31-Mar-19 |
|---------------|-----------|-----------|
| -Cost         | 0.02      | 0.02      |
| -Market Value | 0.05      | 0.10      |

(ii) Aggregate Amount of Unquoted Investments is ₹173.53 Crores (Previous Year- ₹ 129.05 Crores)

(iii) Aggregate Amount of Impairment in Value of investment-NIL

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### 3.3 Other Non Current Assets

(₹ in Crores)

| Particulars                          | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------|--------------|--------------|
| Capital Advances                     | 3.82         | 5.12         |
| <b>Total</b>                         | <b>3.82</b>  | <b>5.12</b>  |
| Security Deposits                    | 7.06         | 6.59         |
| <b>Total</b>                         | <b>7.06</b>  | <b>6.59</b>  |
| Prepaid Expenses                     | 0.26         | 2.23         |
| Advance Income Tax Net of Provisions | 12.46        | 5.72         |
| <b>Total</b>                         | <b>12.72</b> | <b>7.95</b>  |
| <b>Total</b>                         | <b>23.60</b> | <b>19.66</b> |

### 3.4 Inventories

| Particulars           | 31-Mar-20     | 31-Mar-19     |
|-----------------------|---------------|---------------|
| (a) Raw-Materials     | 86.85         | 92.71         |
| (b) Work in Progress  | 19.43         | 20.53         |
| (c) Finished Goods    | 125.81        | 125.50        |
| (d) Stock in Trade    | 157.84        | 157.86        |
| (e) Stock in Transit  | 5.62          | -             |
| (f) Stores and Spares | 8.43          | 8.14          |
| <b>Total</b>          | <b>403.98</b> | <b>404.74</b> |

**Note:**

- During the year ended 31st March 2020, ₹4.47 crores (Previous year : (₹0.64) Crores) was recognised/(reversed) as an expense for Inventories carried at Net Realisable value.
- Mode of Valuation: Inventories are valued at lower of cost, computed on a weighted average basis and estimated net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Finished Goods and Work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.5 Investments

(₹ in Crores)

| Particulars                                                                                                                  | As at 31st March 2020 | As at 31st March 2019 |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Unquoted (NAV Available)</b>                                                                                              |                       |                       |
| <b>Investment in Mutual Funds (At Fair Value through P &amp; L)</b>                                                          |                       |                       |
| Aditya Birla Sun Life Liquid Fund - Regular Plan - NIL units - (P.Y. 5,99,869.938 units)                                     | -                     | 6.01                  |
| Aditya Birla Sun Life Low Duration Fund - Regular Plan - NIL units - (P.Y. 9,93,841.802 units)                               | -                     | 10.03                 |
| Aditya Birla Sun Life Savings Fund - Regular Plan - 21,05,809.575 units - (P.Y. NIL units)                                   | 21.09                 | -                     |
| Axis Treasury Advantage Fund - Regular Plan - 2,90,966.409 units (P.Y. NIL units)                                            | 29.28                 | -                     |
| Canara Robeco Liquid Fund - Regular Plan - Nil units (P.Y. 24,890.787 units)                                                 | -                     | 2.50                  |
| DSP Low Duration Fund - Regular Plan - 2,28,97,791.276 units (P.Y. NIL units)                                                | 23.11                 | -                     |
| Franklin India Savings Fund - Retail Option - 89,78,330.155 units (P.Y. NIL units)                                           | 9.04                  | -                     |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - NIL units (P.Y. 2,47,57,508.017 units)                     | -                     | 24.98                 |
| HDFC Balanced Advantage Fund (Prudence Fund) - Regular Plan - NIL units (P.Y. 5,69,324.917 units)                            | -                     | 11.45                 |
| HDFC Low Duration Fund - Regular Plan - 2,91,16,530.126 units (P.Y. NIL units)                                               | 29.53                 | -                     |
| HDFC Ultra Short Term Fund - Regular Plan - NIL units (P.Y. 39,85,922.416 units)                                             | -                     | 4.01                  |
| ICICI Prudential Ultra Short Term Fund - Regular Plan - Growth - 1,32,65,831.656 units (P.Y. 1,32,65,831.656 units)          | 27.02                 | 25.06                 |
| IDFC Arbitrage Fund - Direct Plan - 86,74,864.743 units (P.Y. 82,31,343.99 units)                                            | 11.48                 | 10.82                 |
| IDFC Arbitrage Fund - Regular Plan - 1,31,17,506.246 units (P.Y. 1,24,47,038.670 units)                                      | 16.69                 | 15.85                 |
| IDFC Low Duration Fund - Regular Plan - 2,83,09,474.901 units (P.Y. NIL units)                                               | 28.51                 | -                     |
| Invesco India Treasury Advantage Fund - Regular Plan - 3,12,298.156 units (P.Y. NIL units)                                   | 31.55                 | -                     |
| Kotak Low Duration Fund - Regular Plan - Growth - 85,666.222 units (P.Y. NIL units)                                          | 21.11                 | -                     |
| Kotak Savings Fund - Regular Plan - 40,87,895.811 units (P.Y. 1,41,54,104.381 units)                                         | 4.12                  | 14.27                 |
| L & T Money Market Fund (Floating Rate Fund) - Regular Plan - NIL units (P.Y. 74,09,617.678 units)                           | -                     | 8.05                  |
| Reliance Floating Rate Fund - Regular Plan - Growth - 31,66,049.815 units (P.Y. NIL units)                                   | 10.06                 | -                     |
| SBI Magnum Low Duration Fund - Regular Plan - 3,16,240.975 units (P.Y. NIL units)                                            | 32.06                 | -                     |
| Sundaram Money Fund - Regular Plan - NIL units (P.Y. 24,79,417.999 units)                                                    | -                     | 2.50                  |
| <b>Total -Aggregate value of Unquoted Investments</b>                                                                        | <b>294.65</b>         | <b>135.53</b>         |
| <b>Investment in Non - Convertible Debentures and Bonds (Amortized cost)</b>                                                 |                       |                       |
| Edelweiss Finvest Private Limited - NIL units (P.Y. 1952 units)                                                              | -                     | 20.00                 |
| Edelweiss Asset Reconstruction Company Limited -2630 units (P.Y. Nil)<br>(Coupon Rate 21.98%, Redemption Date-16th Feb 2021) | 26.30                 | -                     |
| Bharath Bond ETF - APRIL 2023 - Regular Plan - Growth - 1,00,000 units (P.Y. NIL)                                            | 10.00                 | -                     |
| 7.80 HDFC LTD 2019 -NIL - (P.Y. 100 units)                                                                                   | -                     | 10.00                 |
| <b>Total</b>                                                                                                                 | <b>36.30</b>          | <b>30.00</b>          |
| <b>Grand Total</b>                                                                                                           | <b>330.95</b>         | <b>165.53</b>         |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.6 Trade Receivables**

(₹ in Crores)

| Particulars                    | 31-Mar-20     | 31-Mar-19     |
|--------------------------------|---------------|---------------|
| From related parties           | 0.58          | 0.01          |
| Others                         | 255.38        | 287.58        |
| <b>Total Trade Receivables</b> | <b>255.96</b> | <b>287.59</b> |

|                                     | 31-Mar-20     | 31-Mar-19     |
|-------------------------------------|---------------|---------------|
| <b>Trade Receivables</b>            |               |               |
| Unsecured, considered good          | 255.96        | 287.59        |
| Significant Increase in Credit Risk | -             | -             |
| Credit Impaired                     | 16.47         | 11.04         |
| <b>Total</b>                        | <b>272.43</b> | <b>298.63</b> |
| Less: Loss Allowance                | 16.47         | 11.04         |
| <b>Total Trade Receivables</b>      | <b>255.96</b> | <b>287.59</b> |

No Trade Receivable is due from directors or other officers of the company either severally or jointly with any other person.

| Movement in Provision for Doubtful Debts | 31-Mar-20    | 31-Mar-19    |
|------------------------------------------|--------------|--------------|
| <b>Opening Balance</b>                   | <b>11.04</b> | <b>9.34</b>  |
| Charge for the year                      | 5.65         | 2.09         |
| Utilised                                 | 0.22         | 0.39         |
| Unused amounts reversed                  | -            | -            |
| <b>Closing Balance</b>                   | <b>16.47</b> | <b>11.04</b> |

**3.7 Cash and Cash Equivalents**

| Particulars                                               | 31-Mar-20    | 31-Mar-19    |
|-----------------------------------------------------------|--------------|--------------|
| (A) Balances with banks:                                  |              |              |
| On current accounts                                       | 34.71        | 13.42        |
| (B) Cheques on Hand                                       | 0.26         | 6.80         |
| (C) Cash in Hand                                          | 0.09         | 0.03         |
| (D) Deposits with Original Maturity of less than 3 Months | -            | 40.00        |
| <b>Total Cash and Cash Equivalents</b>                    | <b>35.06</b> | <b>60.25</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.8 Other Balances with Banks

(₹ in Crores)

| Particulars                            | 31-Mar-20   | 31-Mar-19   |
|----------------------------------------|-------------|-------------|
| Earmarked Bank Balances                |             |             |
| i) Unpaid Dividend Bank Account        | 1.37        | 1.33        |
| ii) Bank Balances held as Margin Money | 2.72        | 0.56        |
| Term Deposits with Banks               | 0.44        | 0.44        |
| <b>Total</b>                           | <b>4.53</b> | <b>2.33</b> |

## 3.9 Other Current Financial Assets

| Particulars                 | 31-Mar-20   | 31-Mar-19   |
|-----------------------------|-------------|-------------|
| Accrued Interest Receivable | 3.73        | 3.63        |
| <b>Total</b>                | <b>3.73</b> | <b>3.63</b> |

## 3.10 Current Tax Assets (Net)

| Particulars                   | 31-Mar-20 | 31-Mar-19   |
|-------------------------------|-----------|-------------|
| Advance Fringe Benefits Taxes | -         | 0.11        |
| <b>Total</b>                  | <b>-</b>  | <b>0.11</b> |

## 3.11 Other Current Assets

| Particulars                                     | 31-Mar-20    | 31-Mar-19    |
|-------------------------------------------------|--------------|--------------|
| Advance to Employees Unsecured, considered good | 0.26         | 0.21         |
| Other Advances Unsecured, considered good       | 15.55        | 13.00        |
| Prepaid Expenses                                | 2.39         | 1.87         |
| Prepayment-Lease Rentals                        | 0.03         | 0.03         |
| Balances With Customs                           | 0.64         | 0.02         |
| GST Receivables(Net)                            | 25.23        | 25.09        |
| <b>Total</b>                                    | <b>44.10</b> | <b>40.22</b> |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.12 Equity Share Capital**

(₹ in Crores)

| Particulars                                                                                    | 31-Mar-20    | 31-Mar-19    |
|------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Authorised Share Capital</b>                                                                |              |              |
| 1,50,00,000 Equity shares of ₹10 each with voting rights                                       | 15.00        | 15.00        |
| <b>Total</b>                                                                                   | <b>15.00</b> | <b>15.00</b> |
| <b>Issued and Subscribed Share Capital:</b>                                                    |              |              |
| 1,39,61,402 Equity shares of ₹10 each<br>(Previous Year 1,16,78,469 Equity Shares of ₹10 each) | 13.96        | 11.68        |
| <b>Paid Up Share Capital:</b>                                                                  |              |              |
| 1,38,61,402 Equity Shares of ₹10 each<br>(Previous Year 1,15,51,169 Equity Shares of ₹10 each) | 13.86        | 11.55        |
| Add : 27,300 Equity Shares Forfeited (₹ 5 paid-up)                                             | -            | 0.01         |
| <b>Total</b>                                                                                   | <b>13.86</b> | <b>11.56</b> |

1. Paid Up Share Capital of 1,38,61,402 shares (Previous Year: 1,15,51,169 shares) includes 1,01,79,297 shares (Previous year : 78,69,064 shares ) of ₹10 each allotted as Bonus Shares fully paid-up by capitalisation of reserves, and 20,106 shares issued to shareholders of M/s.Prestige Housewares India Limited (PHIL) consequent to merger of PHIL with TTK Prestige Limited. The Paid up Share Capital also includes 9,979 shares of ₹10 each issued to shareholders of Triveni Bialelli Industries Private Limited as per the demerger scheme approved by the Honorable High Courts of Madras and Bombay.
2. During the Year, 23,10,233 nos of Bonus Shares have been allotted on 17th May 2019 (pursuant to the Share Holders resolution, dated 3rd May 2019 approving the same), thus increasing the paid up share capital to ₹13.86 Crores. These bonus shares rank paripassu in all respects with the existing shares and will be entitled to any dividend declared after 17th May 2019.
3. During the year 2017-18, the Company completed Buy back of 1,00,000 Equity shares @ ₹ 7,000 per share aggregating to ₹70 crores. The Excess amount over Face value of these shares along with expenses relating to Buy back have been debited to Securities Premium Reserve in accordance with the provisions of the Companies Act.
4. As on 31st March 2019, the issued and subscribed capital of the company stood at 1,16,78,469 shares of ₹10 each which included 27300 forfeited shares. a) These forfeited Shares (pursuant to the resolution approved by shareholders through postal ballot) have been cancelled during the year. The amount of ₹5 per share paid up on the forfeited shares has been transferred to capital reserve. b) An additional 23,10,233 Shares have been issued as Bonus Shares on 19th May 2019. After considering a) & b) above, the current issued and subscribed capital stand at 1,39,61,402 shares of ₹10 each.
5. The Authorized Share capital remains the same i.e. ₹ 15 Crores divided into 1,50,00,000 equity shares of ₹10 each.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.12a Movement in respect of Equity Shares is given below :

(₹ in Crores)

| Particulars                               | 31-Mar-20          |              | 31-Mar-19          |              |
|-------------------------------------------|--------------------|--------------|--------------------|--------------|
|                                           | Nos.               | Amount       | Nos.               | Amount       |
| At the beginning of the period            | 1,15,51,169        | 11.55        | 1,15,51,169        | 11.55        |
| (+) Issued during the year                | 23,10,233          | 2.31         | -                  | -            |
| (-) Buyback during the year*              | -                  | -            | -                  | -            |
| <b>Outstanding at the end of the year</b> | <b>1,38,61,402</b> | <b>13.86</b> | <b>1,15,51,169</b> | <b>11.55</b> |

## 3.12b Details of Shareholders holding more than 5% shares in the Company

| Particulars                                           | 31-Mar-20 |              | 31-Mar-19 |              |
|-------------------------------------------------------|-----------|--------------|-----------|--------------|
|                                                       | Nos.      | % of Holding | Nos.      | % of Holding |
| T.T. Krishnamachari & Co. represented by its partners | 83,64,400 | 60.34%       | 69,70,334 | 60.34%       |
| Axis Mutual Fund Trustee Limited                      | 10,49,847 | 7.57%        | 9,26,138  | 8.02%        |

## 3.12c Details of Dividend declared and paid

During the year, Dividend of ₹ 41.58 Crores and Dividend Distribution Tax of ₹ 8.55 Crores (₹ 30 Per share) pertaining to the year 2018-19 was paid. Proposed dividend for the FY 2019-20 is ₹ 27.72 Crores (₹ 20 Per share -Refer notes 5.16)

## 3.13 Other Equity

| Particulars                | 31-Mar-20       | 31-Mar-19       |
|----------------------------|-----------------|-----------------|
| Securities Premium Reserve | 37.77           | 40.19           |
| General Reserve            | 220.10          | 200.10          |
| Revaluation Reserve        | 2.15            | 2.15            |
| Capital Reserve            | 15.51           | 15.39           |
| Capital Redemption Reserve | 0.10            | 0.10            |
| Retained Earnings          | 1,011.81        | 884.89          |
| Other Items of OCI         | (0.76)          | (0.71)          |
| <b>Total</b>               | <b>1,286.68</b> | <b>1,142.11</b> |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.14 Long Term Provisions**

(₹ in Crores)

| Particulars                                       | 31-Mar-20   | 31-Mar-19   |
|---------------------------------------------------|-------------|-------------|
| Provision for Employee Benefits :-                |             |             |
| Compensated Absence Liabilities (Refer Note 5.12) | 1.09        | 1.05        |
| Gratuity Liabilities (Refer Note 5.12)            | 3.36        | 1.93        |
| <b>Total</b>                                      | <b>4.45</b> | <b>2.98</b> |

**3.15 Deferred Tax Asset(s)/ (Liabilities)**
**Components of Deferred Tax Assets and Liabilities**

| Particulars                                                                       | 31-Mar-20    | 31-Mar-19     |
|-----------------------------------------------------------------------------------|--------------|---------------|
| <b>A. Deferred Tax Liabilities</b>                                                |              |               |
| Temporay Difference on Fixed Assets Depreciation between Companies Act and IT Act | 32.28        | 43.95         |
| <b>Total (A)</b>                                                                  | <b>32.28</b> | <b>43.95</b>  |
| <b>B. Deferred Tax Assets</b>                                                     |              |               |
| Voluntary Retirement Scheme                                                       | -            | (0.26)        |
| <b>Total (B)</b>                                                                  | <b>-</b>     | <b>(0.26)</b> |
| <b>Net Deferred Tax Liabilities</b>                                               | <b>32.28</b> | <b>43.69</b>  |

**3.15(A) Reconciliation of Deferred Tax Liabilities/ Asset(s)- Net**

| Particulars                                                       | 31-Mar-20    | 31-Mar-19    |
|-------------------------------------------------------------------|--------------|--------------|
| <b>Opening balance</b>                                            | <b>43.69</b> | <b>40.98</b> |
| Tax (income)/expense during the year recognised in profit or loss | (11.41)      | 2.71         |
| <b>Closing Balance</b>                                            | <b>32.28</b> | <b>43.69</b> |

**3.16 Trade Payables - Current**

| Particulars                 | 31-Mar-20     | 31-Mar-19     |
|-----------------------------|---------------|---------------|
| Micro and Small Enterprises | 31.72         | 19.44         |
| <b>Total</b>                | <b>31.72</b>  | <b>19.44</b>  |
| Other payables              | 154.75        | 171.70        |
| Related parties             | 0.29          | 1.67          |
| <b>Total</b>                | <b>155.04</b> | <b>173.37</b> |
| <b>Total</b>                | <b>186.76</b> | <b>192.81</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.17 Other Financial Liabilities - Current

(₹ in Crores)

| Particulars                              | 31-Mar-20     | 31-Mar-19    |
|------------------------------------------|---------------|--------------|
| Employee related liabilities             | 7.60          | 1.54         |
| Employee Bonus and Incentives            | 19.31         | 28.65        |
| Creditors for capital goods and services | 2.41          | 4.55         |
| Unclaimed Dividend                       | 1.37          | 1.33         |
| Provision for Expenses                   | 37.81         | 13.98        |
| Accrual for Schemes                      | 56.02         | 48.32        |
| <b>Total</b>                             | <b>124.52</b> | <b>98.37</b> |

## 3.18 Other Current Liabilities

| Particulars                          | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------|--------------|--------------|
| Statutory Liabilities -Taxes Payable | 2.77         | 2.78         |
| Advance Collected from customers     | 23.18        | 18.94        |
| Provision for Scheme in Kind         | 1.86         | -            |
| <b>Total</b>                         | <b>27.81</b> | <b>21.72</b> |

## 3.19 Provisions

| Particulars                                            | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------------------------|--------------|--------------|
| Other Provisions :- (Refer foot note below)            |              |              |
| Provision for Export Promotion Capital Goods Liability | 12.74        | 12.02        |
| Provision for Warranty                                 | 5.85         | 6.73         |
| <b>Total</b>                                           | <b>18.59</b> | <b>18.75</b> |

Foot Note:

## Movement in Other Provisions

| Particulars                                            | Year    | Opening Balance | Additions | Amount Used | Amount Reversed | Closing Balance |
|--------------------------------------------------------|---------|-----------------|-----------|-------------|-----------------|-----------------|
| Provision for Export Promotion Capital Goods Liability | 2019-20 | 12.02           | 0.72      | -           | -               | 12.74           |
|                                                        | 2018-19 | 10.93           | 1.09      | -           | -               | 12.02           |
| Provision for Warranty                                 | 2019-20 | 6.73            | 9.57      | (10.45)     | -               | 5.85            |
|                                                        | 2018-19 | 5.47            | 7.83      | (6.57)      | -               | 6.73            |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### 4.1 Revenue From Operations

(₹ in Crores)

| Particulars                     | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|---------------------------------|-----------------------------|-----------------------------|
| <b>Revenue from Operations:</b> |                             |                             |
| Sale of Products                | 1,927.84                    | 1,957.37                    |
| Sale of Scrap                   | 8.95                        | 10.65                       |
| <b>Total</b>                    | <b>1,936.79</b>             | <b>1,968.02</b>             |

### 4.2 Other Income

| Particulars                                        | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|----------------------------------------------------|-----------------------------|-----------------------------|
| Interest Income from Bank Deposits etc.            | 0.68                        | 6.14                        |
| Interest Income on other financial assets          | 4.11                        | 3.16                        |
| Dividend Income from Mutual Funds                  | 6.22                        | 5.20                        |
| Income on Mutual Funds due to change in fair value | 4.22                        | 3.37                        |
| Other Non-Operating Income                         | 9.38                        | 7.73                        |
| <b>Total</b>                                       | <b>24.61</b>                | <b>25.60</b>                |

### 4.3 Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods

| Particulars                                                                              | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening Balance                                                                          |                             |                             |
| (a) Work in Progress                                                                     | 20.53                       | 15.92                       |
| (b) Finished Goods                                                                       | 125.50                      | 98.27                       |
| (c) Stock in Trade                                                                       | 157.86                      | 155.70                      |
| <b>Total Opening Balance</b>                                                             | <b>303.89</b>               | <b>269.89</b>               |
| Closing Balance                                                                          |                             |                             |
| (a) Work in Progress                                                                     | 19.43                       | 20.53                       |
| (b) Finished Goods                                                                       | 125.81                      | 125.50                      |
| (c) Stock in Trade                                                                       | 157.84                      | 157.86                      |
| <b>Total Closing Balance</b>                                                             | <b>303.08</b>               | <b>303.89</b>               |
| <b>Total Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods</b> | <b>0.81</b>                 | <b>(34.00)</b>              |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 4.4 Employee Benefits Expense and Payment to Contractors

(₹ in Crores)

| Particulars                                         | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-----------------------------------------------------|-----------------------------|-----------------------------|
| Salaries, Wages, Bonus etc.                         | 147.75                      | 146.84                      |
| Company's Contribution to Provident and Other Funds | 7.04                        | 6.90                        |
| Staff Welfare Expenses                              | 12.33                       | 11.51                       |
| <b>Total</b>                                        | <b>167.12</b>               | <b>165.25</b>               |

## 4.5 Finance Costs

| Particulars                   | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-------------------------------|-----------------------------|-----------------------------|
| Interest Costs                | 0.01                        | 0.02                        |
| Interest on Dealer deposits   | 0.94                        | 0.86                        |
| Bank Guarantee charges        | 0.40                        | 0.83                        |
| Consortium charges            | 0.09                        | 0.20                        |
| Interest on Lease Liabilities | 1.27                        | -                           |
| <b>Total</b>                  | <b>2.71</b>                 | <b>1.91</b>                 |

## 4.6 Depreciation and Amortization Expenses

| Particulars                         | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-------------------------------------|-----------------------------|-----------------------------|
| Depreciation                        | 27.71                       | 25.11                       |
| Amortization                        | 1.86                        | 0.89                        |
| Depreciation on Right of Use Assets | 5.05                        | -                           |
| <b>Total</b>                        | <b>34.62</b>                | <b>26.00</b>                |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**4.7 Other Expenses**

(₹ in Crores)

| Particulars                                                      | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|------------------------------------------------------------------|-----------------------------|-----------------------------|
| Fuel, power and light                                            | 20.06                       | 20.78                       |
| Repairs & Maintenance                                            |                             |                             |
| - building                                                       | 3.05                        | 3.29                        |
| - machinery                                                      | 4.52                        | 4.83                        |
| - others                                                         | 5.78                        | 4.56                        |
| Sales Promotion Expenses                                         | 13.26                       | 21.11                       |
| Sundry Manufacturing Expenses                                    | 4.46                        | 6.08                        |
| Consumption-Stores and Spares                                    | 8.37                        | 7.70                        |
| Short Term Lease Rentals                                         | 11.11                       | -                           |
| Rent                                                             | -                           | 7.72                        |
| Motor Vehicle Expenses                                           | 0.94                        | 1.05                        |
| Bank Charges                                                     | 2.95                        | 3.89                        |
| Rates and taxes                                                  | 1.33                        | 1.71                        |
| Carriage Outwards                                                | 92.65                       | 88.67                       |
| Insurance                                                        | 1.23                        | 1.18                        |
| Advertising and publicity                                        | 119.81                      | 119.53                      |
| Printing and stationery                                          | 1.21                        | 1.39                        |
| Passage and travelling                                           | 14.33                       | 13.89                       |
| Provision for doubtful debts (Refer Note 3.6)                    | 5.65                        | 2.09                        |
| Legal & Professional Charges                                     | 5.88                        | 3.76                        |
| Loss on Sale of Property, Plant and Equipment                    | 0.11                        | -                           |
| Expenditure on Corporate Social Responsibility (Refer Note 5.10) | 4.60                        | 3.84                        |
| Variable Lease Payments                                          | 12.86                       | -                           |
| Distribution Expenses                                            | 13.29                       | 33.43                       |
| Miscellaneous Expenses                                           | 24.48                       | 22.36                       |
| Communication Expenses                                           | 2.35                        | 2.20                        |
| Service Centre Expenses                                          | 10.97                       | 8.91                        |
| Payment made to Auditors (refer foot note below)                 | 0.54                        | 0.56                        |
| Directors' sitting fee                                           | 0.30                        | 0.30                        |
| Non Executive Directors' Commission                              | 6.86                        | 1.52                        |
| <b>Total</b>                                                     | <b>392.95</b>               | <b>386.35</b>               |

**Note:**

| Particulars                                             | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Payments to the Auditors as</b>                      |                             |                             |
| (i) For Statutory Audit Fees                            | 0.42                        | 0.39                        |
| (ii) For Limited Reviews/Certification/Taxation Matters | 0.10                        | 0.14                        |
| (iii) For Reimbursement of Expenses                     | 0.02                        | 0.03                        |
| <b>Total</b>                                            | <b>0.54</b>                 | <b>0.56</b>                 |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 4.8 Current and Deferred Taxes

(₹ in Crores)

| Particulars                                                           | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Current tax</b>                                                |                             |                             |
| Current tax on profits for the year                                   | 61.24                       | 89.99                       |
| Adjustments for Current tax of prior periods                          | (0.13)                      | 0.56                        |
| <b>Total Current Tax Expenses</b>                                     | <b>61.11</b>                | <b>90.55</b>                |
| <b>(b) Deferred Tax</b>                                               |                             |                             |
| Decrease/(Increase) in deferred Tax Assets                            | 0.27                        | 0.27                        |
| (Decrease)/Increase in deferred Tax Liabilities                       | (11.68)                     | 2.44                        |
| <b>Total Deferred Tax expenses/(Benefit)</b>                          | <b>(11.41)</b>              | <b>2.71</b>                 |
| <b>Income Tax Expense recognized in Profit and Loss Account (a+b)</b> | <b>49.70</b>                | <b>93.26</b>                |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### 5.1 Critical judgments in applying accounting policies & Key sources of estimation uncertainty:

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying number of assets or liabilities affected in future periods.

#### Critical Judgements in applying Accounting Policies:

- (i) **Leases:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- (i) **Useful life of Property, Plant & Equipment (PPE)**  
The Company reviews the estimated useful lives of PPE at the end of each reporting period
- (ii) **Defined benefit plans, Defined Benefit Obligations (DBO)**  
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- (iii) **Estimation uncertainty relating to the global health pandemic on COVID 19 – (Refer note 5.17)**

### 5.2 Financial Risk Management Objectives and Policies

The Company is exposed primarily to fluctuations in credit, liquidity and interest rate risks and foreign currency exchange rates, which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### Price Risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The investment in listed and unlisted equity securities are not significant.

#### Foreign Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Considering the countries and economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

to fluctuations in US Dollars against the functional currency of the company.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The Company imports raw materials and finished goods from outside India as well as makes export sales to countries outside the territories in which they operate from. The Company is therefore exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against foreign currency vendor payables

The Company's outstanding foreign currency exposure is as follows: (USD/EURO/POUNDS in Crores)

| Particulars | Liabilities as at |           | Assets as at |           |
|-------------|-------------------|-----------|--------------|-----------|
|             | 31 Mar'20         | 31 Mar'19 | 31 Mar'20    | 31 Mar'19 |
| USD         | 0.54              | 0.39      | 0.03         | 0.00      |
| Pounds      | 0.00              | 0.00      | 0.00         | 0.00      |
| EURO        | 0.00              | 0.00      | 0.01         | 0.01      |

#### Foreign Currency Sensitivity Analysis

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below: (₹ in Crores)

| USD sensitivity at year end | 31 Mar'20 | 31 Mar'19 |
|-----------------------------|-----------|-----------|
| <b>Receivables:</b>         |           |           |
| Weakening of INR by 5%      | 0.11      | 0.00      |
| Strengthening of INR by 5%  | -0.11     | 0.00      |
| <b>Payables:</b>            |           |           |
| Weakening of INR by 5%      | -         | -         |
| Strengthening of INR by 5%  | -         | -         |

#### Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of credit risk principally consist of investments classified as loans and receivables, trade receivables, loans and

advances, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company results in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 630.23 Crores and ₹ 519.33 Crores as of March 31, 2020 and March 31, 2019 respectively, being the total of the carrying amount of balances with banks, bank deposits, and Trade receivables, other financial assets and investments excluding equity and preference investments. The Company's exposure to customers is diversified and there are no customers who contributes to more than 10% of outstanding accounts receivable as of March 31, 2020 and two customers as of March 31, 2019.

#### Financial assets that are neither past due nor impaired

Cash and cash equivalents, financial assets carried at fair value and interest-bearing deposits with corporate are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits placed with corporates, which have high credit rating assigned by international and domestic credit-rating agencies. Financial assets carried at fair value substantially include investment in liquid mutual fund units. With respect to trade receivables and other financial assets that are past due but not impaired, there were no indications as of March 31, 2020, that defaults in payment obligations will occur except as described in note 3.6 on allowances for impairment of trade receivables.

The Company does not hold any collateral for trade receivables and other financial assets. Trade receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

#### Trade Receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. At 31 March 2020, the Company had 3 Customers (31 March 2019: 2 customers) that owed the Company more than 5% of the Total receivables, which accounted for approximately 21.91% (31 March 2019: 27.90%) of all the receivables outstanding.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed above under Credit risk. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

### Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the company's policy. The cash surpluses of the company are short term

in nature and are invested in Liquid Debt Mutual funds and bonds. Hence, the assessed credit risk is low.

### Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below summarizes the maturity profile of the company's financial liabilities (excluding lease liability) based on contractual undiscounted payments and financial assets (excluding cash and cash equivalents) based on contractual undiscounted receipts:

(₹ in Crores)

| As at 31 March 2020                              | On demand     | Less than 3 months | 3 to 12 months | 1 to 3 years | > 3 years   | Total         |
|--------------------------------------------------|---------------|--------------------|----------------|--------------|-------------|---------------|
| Trade and other payables                         | -             | 186.76             | -              | -            | -           | 186.76        |
| <b>Other financial liabilities</b>               |               |                    |                |              |             |               |
| Employee related liabilities                     | 7.60          | -                  | -              | -            | -           | 7.60          |
| Employee Bonus and Incentives                    | -             | 12.17              | 7.14           | -            | -           | 19.31         |
| Creditors for capital goods and services         | -             | 2.41               | -              | -            | -           | 2.41          |
| Unclaimed Dividend                               | 1.37          | -                  | -              | -            | -           | 1.37          |
| Provision for Expenses                           | -             | 93.83              | -              | -            | -           | 93.83         |
|                                                  | <b>8.97</b>   | <b>295.17</b>      | <b>7.14</b>    | <b>-</b>     | <b>-</b>    | <b>311.28</b> |
| <b>As at 31 March 2019</b>                       |               |                    |                |              |             |               |
| Trade and other payables                         | -             | 192.81             | -              | -            | -           | 192.81        |
| <b>Other financial liabilities</b>               |               |                    |                |              |             |               |
| Employee related liabilities                     | 1.54          | -                  | -              | -            | -           | 1.54          |
| Employee Bonus and Incentives                    | -             | 21.81              | 6.84           | -            | -           | 28.65         |
| Creditors for capital goods and services         | -             | 4.55               | -              | -            | -           | 4.55          |
| Unclaimed Dividend                               | 1.33          | -                  | -              | -            | -           | 1.33          |
| Provision for Expenses                           | -             | 62.30              | -              | -            | -           | 62.30         |
|                                                  | <b>2.87</b>   | <b>281.47</b>      | <b>6.84</b>    | <b>-</b>     | <b>-</b>    | <b>291.18</b> |
| As at 31 March 2020                              | On demand     | Less than 3 months | 3 to 12 months | 1 to 3 years | > 3 years   | Total         |
| Investment in Mutual Funds, Bonds and Debentures | 304.65        | -                  | 26.30          | -            | -           | 330.95        |
| Bank Deposits                                    | 1.37          | -                  | 3.16           | -            | -           | 4.53          |
| Trade receivables                                | -             | 255.96             | -              | -            | -           | 255.96        |
| Other Financial Assets                           | -             | 3.73               | -              | -            | -           | 3.73          |
|                                                  | <b>306.02</b> | <b>259.69</b>      | <b>29.46</b>   | <b>0.00</b>  | <b>0.00</b> | <b>595.17</b> |
| <b>As at 31 March 2019</b>                       |               |                    |                |              |             |               |
| Investment in Mutual Funds, Bonds and Debentures | 135.53        | -                  | 30.00          | 26.30        | -           | 191.83        |
| Bank Deposits                                    | 1.33          | -                  | 1.00           | -            | -           | 2.33          |
| Trade receivables                                | -             | 287.59             | -              | -            | -           | 287.59        |
| Other Financial Assets                           | -             | 3.63               | -              | -            | -           | 3.63          |
|                                                  | <b>136.86</b> | <b>291.22</b>      | <b>31.00</b>   | <b>26.30</b> | <b>0.00</b> | <b>485.38</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

The Company has access to committed credit facilities as described below of which the funded limit were unused at the end of the current and comparable reporting periods. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Fund Based Limit: ₹ 110 Crores (PY ₹ 110 Crores)

Non-Fund Based Limit: ₹ 60 Crores (PY ₹ 60 Crores)

Securities offered

(a) Hypothecation of entire stocks of Raw materials, WIP, Finished goods, Stores & Spares, Book-debts.

(b) Hypothecation / mortgage of Fixed Assets

## 5.3 Financial Instruments

## a. Derivative Financial Instruments

| Particulars                                                            | Currency | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|------------------------------------------------------------------------|----------|-------------------------|-------------------------|
| Forward Contracts (Buy)                                                | USD      | 0.54                    | 0.39                    |
| Forward Contracts (Sell)                                               | Euro     | 0.01                    | 0.01                    |
| Gain/(Loss) mark to market in respect of forward contracts outstanding | Rupees   | 0.00                    | 0.00                    |

## (i) Forward contract

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables denominated in certain foreign currencies. The details of outstanding forward contracts as at March 31, 2020 and March 31, 2019 are given above.

It is the policy of the Company to enter into forward exchange contracts to cover specific foreign currency payments (100% of the exposure).

The Company recognized a net loss on the forward contracts of ₹ 0.89 Crore for the year ended March 31, 2020 (Previous year ₹ 0.86 Crore).

All open forward exchange contracts mature within three months from the balance sheet date.

## (ii) Cross Currency Swap: None

## (iii) Interest rate swap: None

## b. Financial Assets and Liabilities

The carrying value of financial instruments (other than investment in subsidiary) by categories as of March 31, 2020 is as follows:

## Fair Value Measurement:

| March 31, 2020                | FVPL          | FVOCI        | Amortized Cost        | Total carrying value        |
|-------------------------------|---------------|--------------|-----------------------|-----------------------------|
| <b>Financial assets:</b>      |               |              |                       |                             |
| Trade Receivables             | -             | -            | 255.96                | 255.96                      |
| Investments                   | 294.65        | 0.05         | 36.30                 | 331.00                      |
| Bank Balances                 | -             | -            | 4.53                  | 4.53                        |
| Other financial assets        | -             | -            | 3.73                  | 3.73                        |
| <b>Total</b>                  | <b>294.65</b> | <b>0.05</b>  | <b>300.52</b>         | <b>595.22</b>               |
| <b>Financial liabilities:</b> |               |              |                       |                             |
| Creditors                     | -             | -            | 186.76                | 186.76                      |
| Forward Contracts             | -             | -            | -                     | -                           |
| Other financial liabilities   | -             | -            | 124.52                | 124.52                      |
| <b>Total</b>                  | <b>-</b>      | <b>-</b>     | <b>311.28</b>         | <b>311.28</b>               |
| <b>March 31, 2019</b>         | <b>FVPL</b>   | <b>FVOCI</b> | <b>Amortized Cost</b> | <b>Total carrying value</b> |
| <b>Financial assets:</b>      |               |              |                       |                             |
| Trade Receivables             | -             | -            | 287.59                | 287.59                      |
| Investments                   | 135.53        | 0.10         | 56.30                 | 191.93                      |
| Bank Balances                 | -             | -            | 2.33                  | 2.33                        |
| Other financial assets        | -             | -            | 3.63                  | 3.63                        |
| <b>Total</b>                  | <b>135.53</b> | <b>0.10</b>  | <b>349.85</b>         | <b>485.48</b>               |
| <b>Financial liabilities:</b> |               |              |                       |                             |
| Creditors                     | -             | -            | 192.81                | 192.81                      |
| Forward Contracts             | -             | -            | -                     | -                           |
| Other financial liabilities   | -             | -            | 98.37                 | 98.37                       |
| <b>Total</b>                  | <b>-</b>      | <b>-</b>     | <b>291.18</b>         | <b>291.18</b>               |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

(₹ in Crores)

- c. Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required). Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a) above approximate their fair values.

**d) Fair value of the Company's financial assets that are measured at fair value on a recurring basis**

| March 31, 2020           | Level-1       | Level-2  | Level-3  | Total Carrying Value |
|--------------------------|---------------|----------|----------|----------------------|
| <b>Financial assets:</b> |               |          |          |                      |
| Investments              | 294.70        | -        | -        | 294.70               |
| <b>Total</b>             | <b>294.70</b> | <b>-</b> | <b>-</b> | <b>294.70</b>        |
| March 31, 2019           | Level-1       | Level-2  | Level-3  | Total Carrying Value |
| <b>Financial assets:</b> |               |          |          |                      |
| Investments              | 135.63        | -        | -        | 135.63               |
| <b>Total</b>             | <b>135.63</b> | <b>-</b> | <b>-</b> | <b>135.63</b>        |

Interest income/ (expense), gain/ (losses) recognized on financial assets and liabilities

|                                                                             | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>(a) Financial assets at amortized cost</b>                               |                         |                         |
| Interest income on bank deposits                                            | 0.68                    | 6.14                    |
| interest income on other financial asset                                    | 4.11                    | 3.16                    |
| Impairment on trade receivables                                             | -                       | -                       |
| <b>(b) Financial asset at FVTPL</b>                                         |                         |                         |
| Dividend Income on Mutual Funds                                             | 6.22                    | 5.20                    |
| Income due to change in fair value                                          | 4.22                    | 3.37                    |
| <b>(c) Financial asset at FVTOCI</b>                                        |                         |                         |
| Change in fair value of equity instruments designated irrevocably as FVTOCI | (0.05)                  | (0.05)                  |
| <b>(d) Financial liabilities at amortized cost</b>                          |                         |                         |
| Interest expenses on borrowings from banks, others and overdrafts           | 0.01                    | 0.02                    |
| <b>(e) Financial liability at FVTPL</b>                                     |                         |                         |
| Net gain/(losses) on fair valuation of forward contracts                    | (0.89)                  | (0.86)                  |

**Capital Management:**

The Company's capital comprises of equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2020 is ₹ 13.86 crores (Previous Year: ₹ 11.56 crores).

**Gearing Ratio**

The Company does not have any borrowings as at March 31, 2020 and March 31, 2019.

**Interest Rate Risk Management:**

The Company does not have any borrowings, as at March 31, 2020 and March 31, 2019 and hence it is not exposed to any interest rate risk.

**5.4 The company operates under one segment of Kitchen & Home appliances. Hence, Segment reporting is not applicable.**

- a) Information about major customers:

Company's significant revenues (more than 5%) are derived from sales to one Customer. The total sales to such Customers amounted to ₹ 105.79 crores in 2019-20 and ₹ 131.57 crores in 2018-19.

No single customer contributed 10% or more to the company's revenue for 2019-20 and 2018-19.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

## b) Revenue from Major products:

Refer note 5.6

## c) Information about geographical area

The company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

| Particulars   | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|---------------|-------------------------|-------------------------|
| India         | 1894.90                 | 1916.58                 |
| Outside India | 41.89                   | 51.44                   |
| <b>Total</b>  | <b>1936.79</b>          | <b>1968.02</b>          |

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

| Particulars   | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|---------------|-------------------------|-------------------------|
| India         | 457.24                  | 412.14                  |
| Outside India | -                       | -                       |
| <b>Total</b>  | <b>457.24</b>           | <b>412.14</b>           |

## 5.5 Related Party Transactions

The following tables provide details about the nature of relationship and total amount of transactions that have been entered into with related parties for the relevant financial year.

| Description of relationship                                                      | Company                                            |
|----------------------------------------------------------------------------------|----------------------------------------------------|
| Wholly Owned Subsidiaries                                                        | TTK British Holdings Limited                       |
|                                                                                  | Horwood Homewares Limited                          |
| Subsidiary                                                                       | Horwood Life Limited                               |
| Enterprises over which Key Managerial Personnel (KMP) having significant control | TT Krishnamachari & Co                             |
|                                                                                  | TTK Healthcare Limited                             |
|                                                                                  | TTK Services (P) Limited                           |
| Directors                                                                        | Mr. T.T. Jagannathan                               |
|                                                                                  | Mr. T.T. Raghunathan                               |
|                                                                                  | Mr. Chandru Kalro (KMP)                            |
|                                                                                  | Mr. K. Shankaran (KMP)                             |
|                                                                                  | Mr. R.Srinivasan                                   |
|                                                                                  | Dr.(Mrs.) Vandana Walvekar                         |
|                                                                                  | Mr. Dileep Kumar Krishnaswamy                      |
|                                                                                  | Mr. Arun.K.Thiagarajan                             |
|                                                                                  | Mr. Murali Neelakantan                             |
|                                                                                  | Mr. Dhruv Sriratan Moondhra                        |
|                                                                                  | Mr. T.T. Mukund                                    |
| Other Key Managerial Personnel                                                   | Mr. V. Sundaresan                                  |
| Relatives of KMP                                                                 | Mr. T.T. Venkatesh                                 |
| Other Related Parties                                                            | TTK Prestige Limited Executive Superannuation Fund |

**(a) Summary of the transactions with the above-related parties:**

| Particulars                                            | Subsidiaries |         | Enterprises over which KMP having significant control |         | Key Management Personnel and relatives |         | Other related parties |         |
|--------------------------------------------------------|--------------|---------|-------------------------------------------------------|---------|----------------------------------------|---------|-----------------------|---------|
|                                                        | 2019-20      | 2018-19 | 2019-20                                               | 2018-19 | 2019-20                                | 2018-19 | 2019-20               | 2018-19 |
| Sales                                                  | 0.76         | 0.92    | 0.59                                                  | 1.00    | -                                      | -       | -                     | -       |
| Purchases                                              | -            | -       | -                                                     | -       | -                                      | -       | -                     | -       |
| Commission and Sitting fees to Non-Executive Directors | -            | -       | -                                                     | -       | 7.17                                   | 1.83    | -                     | -       |
| Remuneration                                           | -            | -       | -                                                     | -       | 7.83                                   | 22.25   | -                     | -       |
| Professional Charges                                   | -            | -       | -                                                     | -       | 0.65                                   | -       | -                     | -       |
| Investment in Equity                                   | 44.48        | 19.19   | -                                                     | -       | -                                      | -       | -                     | -       |
| Others : Expenses/(Income)                             | 0.31         | (0.34)  | 21.70                                                 | 23.06   | 0.14                                   | 0.04    | 0.41                  | 0.22    |

**(b) Balances Outstanding**

| Particulars                                | Subsidiaries |         | Enterprises over which KMP having significant control |         | Key Management Personnel and Relatives |         | Other related parties |         |
|--------------------------------------------|--------------|---------|-------------------------------------------------------|---------|----------------------------------------|---------|-----------------------|---------|
|                                            | 2019-20      | 2018-19 | 2019-20                                               | 2018-19 | 2019-20                                | 2018-19 | 2019-20               | 2018-19 |
| Amount due to the Company against supplies | 0.51         | -       | 0.07                                                  | 0.01    | -                                      | -       | -                     | -       |
| Amount Owed by Company against Purchases   | -            | -       | -                                                     | -       | -                                      | -       | -                     | -       |
| Other Current Liabilities                  | 0.54         | 0.27    | 0.68                                                  | 1.67    | 11.00                                  | 20.55   | 0.41                  | 0.22    |

**(c) Related Parties with whom Transactions have taken place during the year**

| Entity                    | Nature of transactions             | 2019-20  |        | 2018-19  |        |
|---------------------------|------------------------------------|----------|--------|----------|--------|
|                           |                                    | Expenses | Income | Expenses | Income |
| TTK Healthcare Ltd        | Sales                              | -        | 0.59   | -        | 1.00   |
|                           | Purchases                          | -        | -      | -        | -      |
|                           | Travel                             | 0.04     | -      | -        | -      |
|                           | SAP Support Charges                | 0.15     | -      | -        | -      |
| T.T.Krishnamachari & Co., | Travel Expenses (Guest House Stay) | 0.03     | -      | 0.04     | -      |
|                           | Rent Paid                          | 0.03     | -      | 0.02     | -      |
|                           | C & F Charges                      | 12.86    | -      | 13.57    | -      |
|                           | Licence Fee on Logo                | 8.59     | -      | 9.42     | -      |
| Horwood Homewares Limited | Sales                              | -        | 0.76   | -        | 0.92   |
| Horwood Homewares Limited | Royalty                            | 0.68     | -      | 0.27     | -      |
| TTK British Holdings Ltd  | Investment In Equity               | 44.48    | -      | 19.19    | -      |
|                           | Other Income                       | -        | 0.37   | -        | 0.61   |
| Mr.T.T. Jagannathan       | Remuneration                       | 0.60     | -      | 13.40    | -      |
|                           | Commission & Sitting Fees          | 5.38     | -      | -        | -      |
|                           | Travel Expenses                    | 0.10     | -      | -        | -      |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

| Entity                                             | Nature of transactions    | 2019-20  |        | 2018-19  |        |
|----------------------------------------------------|---------------------------|----------|--------|----------|--------|
|                                                    |                           | Expenses | Income | Expenses | Income |
| Mr. T.T. Raghunathan                               | Commission & Sitting Fees | 0.21     | -      | 0.23     | -      |
| Mr. Chandru Kalro                                  | Remuneration              | 3.47     | -      | 3.89     | -      |
| Mr.K. Shankaran                                    | Remuneration              | 3.07     | -      | 3.90     | -      |
| Mr. R. Srinivasan                                  | Commission & Sitting Fees | 0.24     | -      | 0.29     | -      |
| Mr. Murali Neelakantan                             | Professional Charges      | 0.05     | -      | 0.00     | -      |
|                                                    | Commission & Sitting Fees | 0.22     | -      | 0.26     | -      |
|                                                    | Travel Expenses           | 0.02     | -      | 0.04     | -      |
| Mr. T.T. Mukund                                    | Commission & Sitting Fees | 0.22     | -      | 0.24     | -      |
| Mr. Arun.K. Thiagarajan                            | Commission & Sitting Fees | 0.24     | -      | 0.28     | -      |
| Mr. Dileep Kumar Krishnaswamy                      | Commission & Sitting Fees | 0.24     | -      | 0.27     | -      |
| Mr. Dhruv Sriratan Moondhra                        | Commission & Sitting Fees | 0.22     | -      | -        | -      |
|                                                    | Travel Expenses           | 0.01     | -      | -        | -      |
| Dr. (Mrs.) Vandana Walvekar                        | Commission & Sitting Fees | 0.22     | -      | 0.25     | -      |
|                                                    | Travel Expenses           | 0.01     | -      | 0.01     | -      |
| Mr. T.T. Venkatesh                                 | Remuneration              | 0.20     | -      | -        | -      |
| Mr.V. Sundaresan                                   | Remuneration              | 1.13     | -      | 1.06     | -      |
| TTK Prestige Limited Executive Superannuation Fund | Contribution              | 0.41     | -      | 0.22     | -      |

## (d) Closing balance of related parties

|                                                    | As on 31st March 2020 |             | As on 31st March 2019 |             |
|----------------------------------------------------|-----------------------|-------------|-----------------------|-------------|
|                                                    | Payables              | Receivables | Payables              | Receivables |
| T.T. Krishnamachari & Co.,                         | 0.52                  | -           | 1.67                  | -           |
| TTK Healthcare Ltd                                 | 0.16                  | 0.07        | -                     | 0.01        |
| Horwood Homewares Limited                          | 0.54                  | 0.34        | 0.27                  | -           |
| TTK British Holdings Limited                       | -                     | 0.16        | -                     | -           |
| Mr. T.T. Jagannathan                               | 5.34                  | -           | 12.18                 | -           |
| Mr. T.T. Raghunathan                               | 0.19                  | -           | 0.22                  | -           |
| Mr. Chandru Kalro                                  | 2.14                  | -           | 3.35                  | -           |
| Mr. K. Shankaran                                   | 2.00                  | -           | 3.48                  | -           |
| Mr.R. Srinivasan                                   | 0.19                  | -           | 0.22                  | -           |
| Mr. T.T. Mukund                                    | 0.19                  | -           | 0.22                  | -           |
| Mr. Murali Neelakantan                             | 0.19                  | -           | 0.22                  | -           |
| Dr. (Mrs.) Vandana Walvekar                        | 0.19                  | -           | 0.22                  | -           |
| Mr. Dileep Kumar Krishnaswamy                      | 0.19                  | -           | 0.22                  | -           |
| Mr. Dhruv Sriratan Moondhra                        | 0.19                  | -           | -                     | -           |
| Mr. Arun.K. Thiagarajan                            | 0.19                  | -           | 0.22                  | -           |
| TTK Prestige Limited Executive Superannuation Fund | 0.41                  | -           | 0.22                  | -           |

**Note:** All amounts mentioned above are excluding GST.

- Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for guarantees given on behalf of the subsidiaries details of which is provided in Note no.5.9 below. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: Nil).

This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- Compensation of key management personnel of the Company

| Description                                                | 31-Mar-20   | 31-Mar-19    |
|------------------------------------------------------------|-------------|--------------|
| Short-term employee benefits                               | 7.55        | 22.17        |
| Post Employment Gratuity                                   | 0.08        | 0.08         |
| <b>Total compensation paid to key management personnel</b> | <b>7.63</b> | <b>22.25</b> |

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel.

#### 5.6 Disclosures on Adoption of Ind AS 115:

The adoption of Ind AS 115 since 2018-19 did not result in material change on the income statement and balance sheet of the Company as they did not result in any changes to the company's existing accounting policy except scheme expense incurred, incentives given to customers, reimbursement of taxes to customer and promotional couponing which have been reclassified from 'sales promotion expenses' within other expenses under Previous GAAP and netted from revenue directly under Ind AS -115.

##### i) Disaggregation of Revenue:

| Particulars             | 2019-20        | 2018-19        |
|-------------------------|----------------|----------------|
| Pressure Cookers        | 596.19         | 645.72         |
| Cookware                | 291.69         | 301.61         |
| Gas Stove               | 261.47         | 271.70         |
| Mixer Grinder           | 233.10         | 224.98         |
| Kitchen/Home Appliances | 446.58         | 425.37         |
| Cleaning Solutions      | 34.00          | 27.79          |
| Others                  | 73.76          | 70.85          |
| <b>Total</b>            | <b>1936.79</b> | <b>1968.02</b> |

**Note:** Disaggregation of Revenue into Within Country and Outside Country is provided under Note No 5.4 c.

##### ii) Contract liabilities such as advance from customers and liability for schemes and discounts are given below::

| Contract Liabilities              | Amount as on 01.04.2019 | Amount as on 31.03.2020 | Note Reference     |
|-----------------------------------|-------------------------|-------------------------|--------------------|
| Advance from customers            | 18.94                   | 23.18                   | Refer Note No 3.18 |
| Provision for Schemes & Discounts | 48.32                   | 56.02                   | Refer Note No 3.17 |

##### iii) Reconciliation of revenue recognized with the contracted price and the adjustments:

| Description                 | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|-----------------------------|-------------------------|-------------------------|
| Transaction price           | 2213.50                 | 2196.74                 |
| Less: Sales Returns         | 127.76                  | 90.53                   |
| Less: Schemes and Discounts | 148.95                  | 138.59                  |
| <b>Net revenue</b>          | <b>1936.79</b>          | <b>1968.02</b>          |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

## 5.7 Disclosures on Adoption of Ind AS 116:

## Transition

On transition, the Company recognized lease liability and right of use asset on the initial application date at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, the comparative information in these Company's Financial Statements has been not been restated. The impact of the new standard in Company's Financial Statement is summarized and set out below

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹13.90 Crores, and a lease liability of ₹11.94 Crores. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.15%.

Following are the changes in the carrying value of liabilities, for the year ended March 31, 2020, (for the changes in right of use assets please refer note 3.1B):

| Particulars                            | Total        |
|----------------------------------------|--------------|
| <b>Balance as on 1st April 2019</b>    | <b>11.94</b> |
| Additions                              | 6.63         |
| Finance cost accrued during the period | 1.27         |
| Deletions                              | -            |
| Payment of lease liabilities           | 5.66         |
| <b>Balance as on 31st March 2020</b>   | <b>14.18</b> |

The following amounts were recognised as expense in the year

| Particulars                                               | Year ended<br>31st Mar 2020 |
|-----------------------------------------------------------|-----------------------------|
| Depreciation of right-to-use assets                       | 5.05                        |
| Expense relating to variable lease payments               | 12.86                       |
| Expense relating to short-term leases                     | 11.11                       |
| Interest on lease liabilities                             | 1.27                        |
| <b>Total recognised in Statement of Profit &amp; Loss</b> | <b>30.29</b>                |

Future minimum lease payments payable on lease obligation under Ind AS 116.

| Particulars         | Amount |
|---------------------|--------|
| Within one year     | 5.31   |
| Between 1 – 5 Years | 11.14  |
| Over 5 years        | 0.64   |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**5.8 Earnings per Share:**

| Particulars                                                                        | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Profit after tax as per Profit & Loss a/c before extra-ordinary items (net of tax) | 198.51                  | 190.31                  |
| Weighted Average number of Equity Shares used as Denominator for calculating EPS   | 1,38,61,402             | 1,38,61,402             |
| Earnings Per Share of ₹ 10 each :                                                  |                         |                         |
| Basic EPS (₹)                                                                      | 143.21                  | 137.30                  |
| Diluted EPS (₹)                                                                    | 143.21                  | 137.30                  |

Reconciliation of equity shares in computing weighted average number of equity shares

| Particulars                                                                         | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
| a) Weighted average number of shares – Basic                                        |                         |                         |
| Issued fully paid up as at Apr 1,                                                   | 1,38,61,402             | 11,551,169              |
| Effect of Issue of Bonus shares                                                     | -                       | 23,10,233               |
| Effect of shares issued / (buy back) during the year                                | -                       | -                       |
| Weighted average number of equity shares outstanding                                | 1,38,61,402             | 1,38,61,402             |
| b) Weighted average number of shares – diluted                                      |                         |                         |
| Issued fully paid up as at Apr 1,                                                   | 1,38,61,402             | 11,551,169              |
| Effect of shares issued during the year(Buy back)                                   | -                       | -                       |
| Effect of Issue of Bonus shares                                                     | -                       | 23,10,233               |
| Weighted average number of equity shares for diluted earnings per share outstanding | 1,38,61,402             | 1,38,61,402             |

**5.9 Legal proceedings/Contingent Liabilities/Contingent Assets**

| Particulars                                                                                    | As at 31 <sup>st</sup> March 2020 | As at 31 <sup>st</sup> March 2019 |
|------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| A) Contingent Liabilities                                                                      |                                   |                                   |
| (a) Guarantees /LC*                                                                            | 131.76                            | 128.24                            |
| (b) Tax matters under appeal (IT/ST/ED etc.)                                                   | 12.28                             | 12.49                             |
| B) Commitments                                                                                 |                                   |                                   |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 25.97                             | 64.17                             |

\*130.31 Crores (Previous Year- ₹ 126.67 Crores) relates to guarantees to banks against credit facilities extended to TTK British Holdings Limited (100% Subsidiary) to the extent of 14 million GBP.

**5.10 Corporate Social Responsibility**

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under, the company has spent an amount of ₹ 4.60 Crores (₹ 3.84 Crores for 2018-2019) towards contribution to Corpus of CSR Projects as below :

| Year    | Amount to be Contributed as prescribed under Section 135 of the Companies Act 2013 | Amount actually Contributed | Deficit (if any) |
|---------|------------------------------------------------------------------------------------|-----------------------------|------------------|
| 2019-20 | 4.63                                                                               | 4.60                        | 0.03             |
| 2018-19 | 3.83                                                                               | 3.84                        | 0.00             |

**5.11 Disclosure pursuant to SEBI (Listing Obligation and Disclosure Requirements) regulations 2015:\***

There were no Loan amounts due from Subsidiaries\Associates or Firms \Companies in which the Directors are Interested.

\*Excludes Current account transaction

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

## 5.12 Employee Benefits

|                                                                                                                         | Gratuity                   |                            | Compensated Absences       |                            |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                                                                                                         | Year ended<br>Mar 31, 2020 | Year ended<br>Mar 31, 2019 | Year ended<br>Mar 31, 2020 | Year ended<br>Mar 31, 2019 |
| <i>Reconciliation of opening and closing balances at the present value of the defined benefit obligation (gratuity)</i> |                            |                            |                            |                            |
| Projected benefit obligation at the beginning of the year                                                               | 18.91                      | 16.92                      | 9.41                       | 8.66                       |
| Current Service cost                                                                                                    | 1.37                       | 1.18                       | 0.42                       | 0.55                       |
| Interest cost                                                                                                           | 1.46                       | 1.32                       | 0.73                       | 0.68                       |
| Remeasurement gain/(loss)                                                                                               |                            |                            |                            |                            |
| Change in Demographic Assumptions                                                                                       | (0.04)                     | 0.00                       | (0.01)                     | 0.00                       |
| Change in Financial Assumptions                                                                                         | (0.33)                     | 0.13                       | (0.22)                     | 0.05                       |
| Experience Variance                                                                                                     | 2.24                       | 0.50                       | 1.19                       | 0.28                       |
| Past Service Costs                                                                                                      | 0.00                       | 0.00                       | 0.00                       | 0.00                       |
| Benefits paid                                                                                                           | (2.45)                     | (1.14)                     | (1.80)                     | (0.81)                     |
| Projected benefit obligation at the end of the year                                                                     | 21.17                      | 18.91                      | 9.71                       | 9.41                       |
| <i>Change in fair value of plan assets</i>                                                                              |                            |                            |                            |                            |
| Fair value of plan assets at the beginning of the year                                                                  | 16.98                      | 16.40                      | 8.35                       | 3.82                       |
| Investment income                                                                                                       | 1.31                       | 1.28                       | 0.64                       | 0.30                       |
| Employers contribution                                                                                                  | 2.05                       | 0.56                       | 1.50                       | 4.84                       |
| Benefits paid                                                                                                           | (2.45)                     | (1.14)                     | (1.80)                     | (0.81)                     |
| Return on plan assets, excluding amounts recognized in net interest expense                                             | (0.09)                     | (0.11)                     | (0.08)                     | 0.20                       |
| Fair value of plan assets at the end of the year                                                                        | 17.81                      | 16.98                      | 8.62                       | 8.35                       |
| <i>Amount recognized in balance sheet</i>                                                                               |                            |                            |                            |                            |
| Present value of projected benefit obligation at the end of the year                                                    | 21.17                      | 18.91                      | 9.71                       | 9.41                       |
| Fair value of plan assets at the end of year                                                                            | 17.81                      | 16.98                      | 8.62                       | 8.35                       |
| Funded status amount of liability recognized in balance sheet                                                           | 3.36                       | 1.93                       | 1.09                       | 1.05                       |
| <i>Expense recognized in statement of profit or loss</i>                                                                |                            |                            |                            |                            |
| Current Service cost                                                                                                    | 1.37                       | 1.18                       | 0.42                       | 0.55                       |
| Past Service Cost                                                                                                       | 0.00                       | 0.00                       | 0.00                       | 0.00                       |
| Interest cost                                                                                                           | 0.15                       | 0.04                       | 0.08                       | 0.38                       |
| Interest income                                                                                                         | 0.00                       | 0.00                       | 0.00                       | 0.00                       |
| Change in financial assumptions                                                                                         | (0.33)                     | 0.13                       | (0.22)                     | 0.05                       |
| Change in Demographic assumptions                                                                                       | (0.04)                     | 0.00                       | (0.01)                     | 0.00                       |
| Experience variance                                                                                                     | 2.25                       | 0.50                       | 1.19                       | 0.28                       |
| Return on Plan Assets                                                                                                   | 0.09                       | 0.11                       | 0.08                       | (0.20)                     |
| Net gratuity cost                                                                                                       | 3.49                       | 1.96                       | 1.53                       | 1.05                       |
| <i>Summary of actuarial assumptions</i>                                                                                 |                            |                            |                            |                            |
| Discount rate                                                                                                           | 6.80%                      | 7.70%                      | 6.80%                      | 7.70%                      |
| Salary escalation rate                                                                                                  | 5.00%                      | 6.00%                      | 5.00%                      | 6.00%                      |

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

(₹ in Crores)

Discount rate - based on prevailing market yields of Indian government securities as at the balance sheet date for estimated term of obligations.

Expected rate of return on plan assets - expectation of the average long-term rate of return expected on investment of the funds during the estimated terms of the obligations.

Salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors.

**Contributions:**

The Company's expected cash flows over the next few years are as follows:

| Year                                                                                                        | Gratuity | Compensated Absences |
|-------------------------------------------------------------------------------------------------------------|----------|----------------------|
| 1 year                                                                                                      | 3.46     | 2.69                 |
| 2 to 5 years                                                                                                | 8.90     | 3.93                 |
| 6 to 10 years                                                                                               | 7.24     | 2.67                 |
| More than 10 years                                                                                          | 19.86    | 7.72                 |
| Gratuity plan's weighted average asset allocation at Mar 31 2020 and 2019 by asset category are as follows: |          |                      |
| Fund managed by insurers                                                                                    | 100%     | 100%                 |
| Remeasurement of the net defined benefit liability recognized in other comprehensive income                 |          |                      |
| Remeasurement gain/(loss) arising from                                                                      |          |                      |
| Change in demographic assumption                                                                            | (0.04)   | (0.01)               |
| Change in financial assumptions                                                                             | (0.33)   | (0.22)               |
| Experience variance                                                                                         | 2.25     | 1.19                 |
| Return on plan assets, excluding amount recognized in net interest expense/income                           | 0.09     | 0.08                 |

**Sensitivity analysis of significant actuarial assumption**

|                             | Gratuity  |          |           |          | Compensated Absences |          |           |          |
|-----------------------------|-----------|----------|-----------|----------|----------------------|----------|-----------|----------|
|                             | 31-Mar-20 |          | 31-Mar-19 |          | 31-Mar-20            |          | 31-Mar-19 |          |
|                             | Increase  | Decrease | Increase  | Decrease | Increase             | Decrease | Increase  | Decrease |
| Discount rate (-/+ 1%)      | 19.73     | 22.83    | 17.63     | 20.38    | 9.14                 | 10.37    | 8.91      | 9.99     |
| Salary growth rate (+/- 1%) | 22.84     | 19.69    | 20.39     | 17.60    | 10.37                | 9.13     | 9.99      | 8.90     |

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

|                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment risk | The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India. |
| Interest risk   | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.                                                                                                                                                                                                                                                                                     |
| Longevity risk  | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.                                                                                                                                                                     |
| Salary risk     | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.                                                                                                                                                                                                                           |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Crores)

**5.13 Reconciliation of Effective Tax Rates**

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarized below:

| Particulars                                                           | Year ended<br>31 <sup>st</sup> March 2020 | Year ended<br>31 <sup>st</sup> March 2019 |
|-----------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Profit before taxes                                                   | 248.21                                    | 283.57                                    |
| Enacted tax rates in India                                            | 25.168%                                   | 34.944%                                   |
| Expected tax expense/(benefit)                                        | 62.47                                     | 99.09                                     |
| <b>Effect of</b>                                                      |                                           |                                           |
| Tax Holiday benefit under Sec 80 (IC) for Roorkee Unit                | 0.00                                      | (3.48)                                    |
| Tax Benefit on research and development expenses                      | 0.00                                      | (0.73)                                    |
| Exempt income from mutual fund investments                            | (1.55)                                    | (2.94)                                    |
| CSR expenses ( To the extent of amount disallowed)                    | 0.61                                      | 0.76                                      |
| Provision for EPCG Liability                                          | 0.28                                      | 0.25                                      |
| Tax Benefit on employment of Additional manpower under Sec 80 JJAA    | 0.00                                      | (0.04)                                    |
| Reversal of provision pertaining to previous year/s                   | (0.13)                                    | 0.55                                      |
| Addition / (Reduction) in DTL Provision due to change in tax rates    | (12.22)                                   | 0.00                                      |
| Other adjustments                                                     | 0.24                                      | (0.20)                                    |
| Income Tax expense charged to P&L for the year                        | <b>49.70</b>                              | <b>93.26</b>                              |
| Income Tax expense charged to Other Comprehensive Income for the year | (0.51)                                    | (0.28)                                    |
| Total Income Tax expense for the year                                 | <b>49.19</b>                              | <b>92.98</b>                              |
| Comprising:                                                           |                                           |                                           |
| Current Tax                                                           | 60.60                                     | 90.27                                     |
| Deferred Tax                                                          | (11.41)                                   | 2.71                                      |

**5.14 Trade Payables-Micro and Small Enterprises:**

Based on data received from Vendors, the amount due to Micro and Small enterprises is ascertained as ₹ 31.72 Crores (PY: ₹ 19.44 Crores). There are no over dues.

**5.15** Certain figures apparently may not add up because of rounding off, but are wholly accurate in themselves.

**5.16** Your Directors are pleased to recommend a dividend of ₹ 20 per share. (Previous year- ₹ 30 per share) which entails an out lay of ₹ 27.72 Crores (PY ₹ 41.58 Crores) by way of Dividend and ₹ NIL (PY ₹ 8.55 Crores) by way of Dividend Distribution Tax.

**5.17 Impact of COVID-19**

The Company does not foresee any large-scale contraction in demand in the long run (though there would be short term impact), which could result in significant downsizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as sales offices are long term in nature and no changes in terms of those leases are expected due to the COVID-19. The company has been affected by the impact of COVID-19, with a drop in sales inevitably resulting from the global downturn in sales of non-grocery related products. The directors have taken appropriate action in order to ensure the safety of all employees and to mitigate the impact on the company. This has included closing the office temporarily. The ongoing impact of the current situation is as yet unknown, therefore the operating budget for the coming financial year has been rewritten based on information currently available, and cash flow is being closely monitored to ensure that the company is able to pay both staff and supplier obligations as they become due.

The impact on future revenue streams could come from

- prolonged lock-down situation resulting in its inability to deploy resources at different locations due to restrictions in mobility

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

- b. customers postponing their discretionary spend due to change in priorities

The Company has assessed that customers in large format stores are more prone to immediate impact due to disruption in supply chain, shutdown of malls and drop in demand. The Company has considered the impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company has also assessed the impact of any delays and inability to meet contractual commitments. However the company is constantly exploring new opportunities arising out of this adversity like focusing on sales through e-commerce.

### Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of property, plant & equipment, intangible assets receivables, investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions

### Other risk - Impact of COVID-19

Financial assets carried at fair value as at March 31, 2020 is ₹ 294.70 crores and financial assets are carried at amortised cost as at March 31, 2020 is ₹ 300.52 crores. A significant part of the financial assets are classified as Level 1 having fair value of ₹ 294.70 crores as at March 31, 2020. The fair value of these assets is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the company are mainly investments in Mutual Funds, liquid debt securities and accordingly, any material volatility is not expected. Financial assets of ₹ 39.59 crores as at March 31, 2020 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the company has assessed the counterparty credit risk. Trade receivables of ₹ 255.96 crores as at March 31, 2020 forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers in respect of whom amounts are receivable. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables of ₹ 16.47 crores as at March 31, 2020 is considered adequate.

**5.18** The Financial Statements were approved by the Board of Directors and authorized for issue on 25<sup>th</sup> June 2020.

*As per our audit report of even date attached*

**For PKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration Number : 003990S/S200018*

**Seethalakshmi M**

*Partner*

*Membership No. 208545*

**Place : Bengaluru**

**Date : 25<sup>th</sup> June 2020**

***For and on behalf of the Board***

**T.T. Jagannathan**

*Chairman*

*DIN No.: 00191522*

**Dileep Kumar Krishnaswamy**

*Director*

*DIN No.: 00176595*

**V. Sundaresan**

*Chief Financial Officer*

*PAN No.: AKEPS1782M*

**Chandru Kalro**

*Managing Director*

*DIN No.: 03474813*

**K.Shankaran**

*Wholtime Director & Secretary*

*DIN No.: 00043205*

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TTK PRESTIGE LIMITED

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of TTK Prestige Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2020, and the consolidated statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and on the financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, and their consolidated profit, consolidated total comprehensive income, their consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, together with the ethical requirements that are relevant to our audit of consolidated financial statements under the provisions of the Act, and the Rules thereunder. We have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of Matter

We draw attention to:

Note 5.15 to the consolidated financial statements, regarding the management's impairment assessment of property, plant and equipment, intangible assets, investments, trade receivables valuation as at 31 March 2020 being considered as unimpaired / recoverable based on the future operations plans and cash flows and note 5.12 on impairment assessment on goodwill wherein projections are made based on the various judgments and estimates related to inflation, discount rates, and implications expected to arise from COVID-19 pandemic, wherein actual results could vary.

Our opinion is not modified in respect of the above matter.

#### Key Audit Matter

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the Key Audit Matter to be communicated in our report.

| Sl.No. | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                               |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | <b>Revenue Recognition</b><br>The Group manufactures and trades in a number of products related to kitchen appliances. Revenue is measured net of discounts, incentives and rebates earned by customers on the Group's sales.<br>Given the variety and large number of sales transactions and estimates involved in discounts etc. revenue recognition is considered a Key Audit Matter.<br>Disclosure Note 5.5 and the accounting policies provide additional information on how the Group accounts for its revenue | Our audit included but was not limited to the following procedures:<br>Our procedures included, among others, obtaining an understanding of the processes and relevant controls relating to the accounting for customer contracts.<br><b>Accounting policies:</b><br>Assessing the appropriateness of the Group's revenue recognition accounting policies, including those relating to discounts, incentives and rebates under Ind AS 115. |

## Consolidated Audit Report (Contd...)

|  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  | <p><b>Control testing:</b></p> <p>Testing the selected key controls for the revenue recognized throughout the year and calculation of discounts, incentives and rebates, including reviewing the results of testing by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement assertions.</p> <p>Evaluating the IT systems relevant for revenue recognition and the functioning of the related general IT controls.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>• Reviewed sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period.</li> <li>• Performed substantive procedures to understand and validate the basis of provision for schemes and discounts with underlying workings and evidences</li> <li>• Compared the current year estimates of discounts, incentives and rebates to the prior year and, where relevant, completing further inquiries and testing.</li> <li>• Obtained the supporting documentation on sample basis for discounts and incentives given under schemes to agree to the amounts recorded as discounts and incentives during the period.</li> <li>• Critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul> <p><b>Disclosures:</b></p> <p>Tracing disclosure information to accounting records and other supporting documentation.</p> |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the boards' report, business responsibility, and report on corporate governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance

## Consolidated Audit Report (Contd...)

with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies which are companies incorporated in India have adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements which have been compiled based on management accounts.

## Consolidated Audit Report (Contd...)

We communicate with those charged with governance of the holding company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements of 3 subsidiaries (TTK British Holdings Limited, Horwood Homewares Limited and Horwood Life Limited), whose financial statements reflect total assets of ₹ 92.34 Cr and net assets of ₹ 8.13 Cr as at 31 March 2020, total revenues of ₹ 136.25 Cr, net loss of ₹ 13.97 Cr and net cash flows amounting to ₹ 17.98 Cr for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the group.
- (b) These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in United Kingdom (UK). The Holding Company's management has converted the financial statements of subsidiaries from accounting principles generally accepted in UK to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143 (3) of the Act, based on our audit and financial information of subsidiaries as noted in the 'Other matters' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) At this juncture, we are unable to comment whether the matter described in the Emphasis of Matter paragraph above, may have an adverse effect on the functioning of the group.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

**Consolidated Audit Report (Contd...)**

- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group excluding companies incorporated outside India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and other financial information of the subsidiaries, as noted in the 'Other Matters' paragraph:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 5.8 to the Consolidated Financial Statements.
  - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts – Refer Note 5.3 to the Consolidated Financial Statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March 2020.
- 2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAADB6320

## **ANNEXURE A**

**Referred to in paragraph 1(g) on 'Report on Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of TTK Prestige Limited**

**Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of **TTK Prestige Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to the financial statements of the Holding Company. The subsidiaries of TTK Prestige Limited are incorporated outside India.

### **Management's Responsibility for Internal Financial Controls**

The Management and the board of directors of the Holding company are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, which is the only company in the group incorporated in India.

### **Meaning of Internal financial controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal financial controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to consolidated financial statements criteria established by the companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Place: Bengaluru  
Date : 25<sup>th</sup> June, 2020

Signature  
M. Seethalakshmi  
Partner  
Membership No. 208545  
ICAI UDIN: 20208545AAAADB6320

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020**

(₹ in Crores)

| Particulars                                                      | Note  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|------------------------------------------------------------------|-------|--------------------------|--------------------------|
| <b>ASSETS</b>                                                    |       |                          |                          |
| <b>Non-Current Assets</b>                                        |       |                          |                          |
| Property, plant and equipment                                    | 3.1 A | 413.21                   | 370.83                   |
| Right-of-Use-Assets                                              | 3.1 B | 31.17                    | -                        |
| Capital work-in-progress                                         | 3.1 C | 5.73                     | 20.60                    |
| Goodwill on Consolidation                                        | 3.1 D | 125.12                   | 127.77                   |
| Other Intangible Assets                                          | 3.1 E | 2.96                     | 3.37                     |
| Financial Assets                                                 |       |                          |                          |
| - Investments                                                    | 3.2   | 0.05                     | 26.40                    |
| Other Non-Current Assets                                         | 3.3   | 35.13                    | 31.42                    |
| <b>Current Assets</b>                                            |       |                          |                          |
| Inventories                                                      | 3.4   | 470.64                   | 471.37                   |
| Financial Assets                                                 |       |                          |                          |
| - Investments                                                    | 3.5   | 330.95                   | 165.53                   |
| - Trade Receivables                                              | 3.6   | 278.10                   | 305.08                   |
| - Cash and Cash Equivalents                                      | 3.7   | 53.04                    | 78.72                    |
| - Bank Balances other than above                                 | 3.8   | 4.53                     | 2.33                     |
| - Other Current Financial Assets                                 | 3.9   | 3.73                     | 3.63                     |
| Current Tax Assets (Net)                                         | 3.10  | -                        | 0.11                     |
| Other Current Assets                                             | 3.11  | 47.11                    | 44.74                    |
| <b>Total Assets</b>                                              |       | <b>1,801.47</b>          | <b>1,651.90</b>          |
| <b>EQUITY AND LIABILITIES</b>                                    |       |                          |                          |
| <b>Equity</b>                                                    |       |                          |                          |
| Equity Share Capital                                             | 3.12  | 13.86                    | 11.56                    |
| Other Equity                                                     | 3.13  | 1,292.40                 | 1,154.73                 |
| Non Controlling Interest                                         | 3.13  | 2.41                     | -                        |
| <b>LIABILITIES</b>                                               |       |                          |                          |
| <b>Non-Current Liabilities</b>                                   |       |                          |                          |
| Financial Liabilities                                            |       |                          |                          |
| -Borrowings                                                      | 3.14  | 18.62                    | 54.29                    |
| -Lease Liabilities                                               |       | 24.74                    | -                        |
| Provisions                                                       | 3.15  | 4.45                     | 2.98                     |
| Deferred Tax Liabilities (net)                                   | 3.16  | 32.92                    | 44.34                    |
| <b>Current Liabilities</b>                                       |       |                          |                          |
| Financial Liabilities                                            |       |                          |                          |
| - Lease Liabilities                                              |       | 5.26                     | -                        |
| - Trade Payables                                                 |       |                          |                          |
| Total Outstanding dues to Micro and Small Enterprises            | 3.17  | 31.72                    | 19.44                    |
| Total Outstanding dues to other than Micro and Small Enterprises |       | 166.06                   | 183.81                   |
| - Other Financial Liabilities                                    | 3.18  | 161.07                   | 137.22                   |
| Other Current Liabilities                                        | 3.19  | 29.37                    | 24.57                    |
| Provisions                                                       | 3.20  | 18.59                    | 18.75                    |
| Current Tax Liabilities                                          | 3.21  | -                        | 0.21                     |
| <b>Total Equity and Liabilities</b>                              |       | <b>1,801.47</b>          | <b>1,651.90</b>          |

**Significant Accounting Policies and Notes on Accounts 2 to 5**

The notes referred to above form an integral part of the audited financial statements

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

T.T. Jagannathan

Chairman

DIN No.: 00191522

Chandru Kalro

Managing Director

DIN No.: 03474813

Seethalakshmi M

Partner

Membership No. 208545

Dileep Kumar Krishnaswamy

Director

DIN No.: 00176595

K.Shankaran

Wholtime Director &amp; Secretary

DIN No.: 00043205

Place : Bengaluru

Date : 25<sup>th</sup> June 2020

V. Sundaresan

Chief Financial Officer

PAN No.: AKEPS1782M

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

| Particulars                                                                 | Note | For Year Ended<br>31 March 2020 | For Year Ended<br>31 March 2019 |
|-----------------------------------------------------------------------------|------|---------------------------------|---------------------------------|
| Revenue from Operations (Net of Discounts)                                  | 4.1  | 2,072.99                        | 2,106.91                        |
| Other income                                                                | 4.2  | 24.66                           | 25.24                           |
| <b>Total Income</b>                                                         |      | <b>2,097.65</b>                 | <b>2,132.15</b>                 |
| <b>Expenses</b>                                                             |      |                                 |                                 |
| Cost of Materials consumed                                                  |      | 426.35                          | 477.14                          |
| Purchase of Stock in Trade                                                  |      | 777.47                          | 774.08                          |
| Changes in Inventory of Finished Goods, Stock in trade and work in progress | 4.3  |                                 |                                 |
| i) Work in Progress                                                         |      | 1.10                            | (4.62)                          |
| ii) Finished Goods                                                          |      | (0.31)                          | (27.23)                         |
| iii) Stock in Trade                                                         |      | 0.01                            | 1.21                            |
| Employee benefits expense and payment to contractors                        | 4.4  | 189.27                          | 185.98                          |
| Finance costs                                                               | 4.5  | 5.46                            | 4.50                            |
| Depreciation and Amortisation                                               | 4.6  | 36.58                           | 26.46                           |
| Other Expenses                                                              | 4.7  | 415.63                          | 408.33                          |
| <b>Total Expenses</b>                                                       |      | <b>1,851.56</b>                 | <b>1,845.85</b>                 |
| <b>Profit Before Exceptional Items and Tax</b>                              |      | <b>246.09</b>                   | <b>286.30</b>                   |
| - Exceptional Items                                                         |      | (11.69)                         | -                               |
| <b>Profit Before Tax</b>                                                    |      | <b>234.40</b>                   | <b>286.30</b>                   |
| <b>Tax Expense</b>                                                          |      |                                 |                                 |
| Current Tax                                                                 | 4.8  | 61.30                           | 91.22                           |
| Deferred Tax                                                                | -    | (11.44)                         | 2.73                            |
| <b>Profit for the Year</b>                                                  |      | <b>184.54</b>                   | <b>192.35</b>                   |
| <b>Other Comprehensive Income</b>                                           |      |                                 |                                 |
| <b>Items that will not be reclassified to profit or loss</b>                |      |                                 |                                 |
| Remeasurements of defined benefit plan actuarial gains/ (losses)            |      | (1.97)                          | (0.74)                          |
| Change in fair value of equity instruments designated irrevocably as FVTOCI |      | (0.05)                          | (0.05)                          |
| Income tax expense on above                                                 |      | 0.51                            | 0.28                            |
|                                                                             |      | <b>(1.51)</b>                   | <b>(0.51)</b>                   |
| <b>Items that will be reclassified to Profit or Loss</b>                    |      |                                 |                                 |
| Foreign Exchange Fluctuation on Translation                                 |      | 5.40                            | (3.45)                          |
| <b>Total Other Comprehensive Income for the year</b>                        |      | <b>3.89</b>                     | <b>(3.96)</b>                   |
| <b>Total Comprehensive Income for the year</b>                              |      |                                 |                                 |
| (Comprising profit and other comprehensive income for the year)             |      | <b>188.43</b>                   | <b>188.39</b>                   |
| <b>Profit attributable to:</b>                                              |      |                                 |                                 |
| - Owners                                                                    |      | <b>185.57</b>                   | -                               |
| - Non controlling Interest                                                  |      | <b>(1.03)</b>                   | -                               |
| <b>Other Comprehensive Income Attributable to:</b>                          |      |                                 |                                 |
| - Owners                                                                    |      | <b>4.22</b>                     | -                               |
| - Non controlling Interest                                                  |      | <b>(0.33)</b>                   | -                               |
| <b>Total Comprehensive Income Attributable to:</b>                          |      |                                 |                                 |
| - Owners                                                                    |      | <b>189.79</b>                   | -                               |
| - Non controlling Interest                                                  |      | <b>(1.36)</b>                   | -                               |
| <b>Earnings per Equity Share (Face Value ₹ 10/- each)</b>                   |      |                                 |                                 |
| (1) Basic(₹)                                                                | 5.7  | 133.13                          | 138.76                          |
| (2) Diluted(₹)                                                              |      | 133.13                          | 138.76                          |

## Significant Accounting Policies and Notes on Accounts 2 to 5

The notes referred to above form an integral part of the audited financial statements

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 0039905/S200018

For and on behalf of the Board

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholtime Director & Secretary  
DIN No.: 00043205

Place : Bengaluru  
Date : 25<sup>th</sup> June 2020

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2020**

(₹ in Crores)

| Particulars                                                     | For Year Ended<br>31 March 2020 | For Year Ended<br>31 March 2019 |
|-----------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Cash Flows from Operating Activities</b>                     |                                 |                                 |
| Net Profit Before Tax                                           | 234.40                          | 286.30                          |
| Adjustments:                                                    |                                 |                                 |
| - Interest Income                                               | (4.84)                          | (9.30)                          |
| - (Profit)/Loss on sale of Property, Plant and Equipment        | 0.11                            | (0.13)                          |
| - OCI effects                                                   | 3.89                            | (3.91)                          |
| - Dividend Income                                               | (10.44)                         | (8.57)                          |
| - Interest Expense                                              | 5.46                            | 4.50                            |
| - Depreciation and Amortization                                 | 36.58                           | 26.46                           |
| <b>Operating cash flow before working capital changes</b>       | <b>265.16</b>                   | <b>295.35</b>                   |
| <i>Changes in</i>                                               |                                 |                                 |
| - Trade Receivables                                             | 26.98                           | (46.79)                         |
| - Financial Assets and Other Current and Non-Current Assets     | 4.64                            | (0.46)                          |
| - Inventories                                                   | 0.73                            | (34.18)                         |
| - Liabilities and Provisions (current and non-current)          | 28.73                           | 6.46                            |
| - Trade Payables                                                | (5.47)                          | (35.16)                         |
| <b>Cash Generated from Operations</b>                           | <b>320.77</b>                   | <b>185.22</b>                   |
| Income Taxes Paid (Net of Refunds)                              | (67.23)                         | (91.22)                         |
| <b>Cash Generated from / (used in) Operations</b>               | <b>253.54</b>                   | <b>94.00</b>                    |
| <b>Cash flows from investing activities</b>                     |                                 |                                 |
| Purchase of Property, Plant and Equipment                       | (57.72)                         | (57.18)                         |
| Proceeds from sale of Property, Plant and Equipment             | -                               | -                               |
| Investment in Mutual Funds / Term Deposits with Banks           | (141.27)                        | 39.12                           |
| Interest Received                                               | 4.84                            | 9.30                            |
| Dividends Received                                              | 10.44                           | 8.57                            |
| <b>Net Cash Generated from/(used in) Investing Activities</b>   | <b>(183.71)</b>                 | <b>(0.19)</b>                   |
| <b>Cash Flows from Financing Activities</b>                     |                                 |                                 |
| Dividend Paid (including dividend distribution tax)             | (50.13)                         | (41.78)                         |
| Interest Paid/Finance Cost                                      | (3.27)                          | (4.50)                          |
| Repayment of Lease Liabilities                                  | (7.48)                          | -                               |
| Repayment of Long Term Loans                                    | (34.63)                         | (38.00)                         |
| <b>Net cash used in Financing Activities</b>                    | <b>(95.51)</b>                  | <b>(84.28)</b>                  |
| <b>Increase in Cash and Cash Equivalents</b>                    | <b>(25.68)</b>                  | <b>9.53</b>                     |
| <b>Cash and Cash Equivalents at the beginning of the year</b>   | <b>78.72</b>                    | <b>69.19</b>                    |
| <b>Cash and Cash Equivalents at the end of the year</b>         | <b>53.04</b>                    | <b>78.72</b>                    |
| <b>Components of Cash and Cash Equivalents (refer note 3.7)</b> |                                 |                                 |
| Cash on Hand                                                    | 0.08                            | 0.03                            |
| <i>Balances with Banks</i>                                      |                                 |                                 |
| - in Current Accounts                                           | 52.96                           | 38.69                           |
| - in Fixed Deposits (Maturing less than 3 months)               | -                               | 40.00                           |
| <b>Total Cash and Cash Equivalents</b>                          | <b>53.04</b>                    | <b>78.72</b>                    |

Note: Prepared under Indirect Method as set out in Ind AS 7-Statement of Cash Flows.

As per our audit report of even date attached

For PKF Sridhar &amp; Santhanam LLP

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholetime Director & Secretary  
DIN No.: 00043205

Place : Bengaluru  
Date : 25<sup>th</sup> June 2020

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

(₹ in Crores)

**Financial Liabilities****Net Debt Reconciliation**

|                                       | 31-Mar-20     |
|---------------------------------------|---------------|
| Current borrowings including interest | (37.23)       |
| Non-current borrowings                | (18.62)       |
| Cash and cash equivalents             | 53.04         |
| <b>Net Debt</b>                       | <b>(2.81)</b> |

|                                     | Liabilities from financing activities |                    |                              | Other assets            |               |
|-------------------------------------|---------------------------------------|--------------------|------------------------------|-------------------------|---------------|
|                                     | Non-current borrowings                | Current borrowings | Interest accrued but not due | Cash & Cash equivalents | Total         |
| <b>Net Debt as at 1 April 2019</b>  | (54.29)                               | (36.19)            | (0.54)                       | 78.72                   | (12.30)       |
| Cash Flows                          | 1.46                                  | 36.19              | 0.54                         | (25.68)                 | 12.51         |
| Acquisitions - finance leases       | -                                     | -                  | -                            | -                       | -             |
| Foreign exchange adjustments        | (1.56)                                | -                  | -                            | -                       | (1.56)        |
| Interest expense                    | (1.46)                                | -                  | -                            | -                       | (1.46)        |
| Interest paid                       | -                                     | -                  | -                            | -                       | -             |
| Other non-cash movements            | -                                     | -                  | -                            | -                       | -             |
| -Acquisitions/disposals             | 37.23                                 | (37.23)            | -                            | -                       | -             |
| -Fair value adjustments             | -                                     | -                  | -                            | -                       | -             |
| <b>Net Debt as at 31 March 2020</b> | <b>(18.62)</b>                        | <b>(37.23)</b>     | <b>0.00</b>                  | <b>53.04</b>            | <b>(2.81)</b> |

Prepared under Indirect Method as set out in IND AS 7-Statement of Cash Flows.

As per our audit report of even date attached  
For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration Number : 0039905/S200018

For and on behalf of the Board

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholetime Director & Secretary  
DIN No.: 00043205

Place : Bengaluru  
Date : 25<sup>th</sup> June 2020

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M


**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**

| <b>A. EQUITY SHARE CAPITAL</b>                  |  | <b>Notes</b> | <b>Balance</b> |  |  |  |  |  |  |  |
|-------------------------------------------------|--|--------------|----------------|--|--|--|--|--|--|--|
| As at 31st March 2018                           |  | 3.12         | 11.56          |  |  |  |  |  |  |  |
| Changes in equity share capital during the year |  |              | -              |  |  |  |  |  |  |  |
| <b>As at 31st March 2019</b>                    |  | 3.12         | <b>11.56</b>   |  |  |  |  |  |  |  |
| Changes in equity share capital during the year |  |              | 2.30           |  |  |  |  |  |  |  |
| <b>As at 31st March 2020</b>                    |  | <b>3.12</b>  | <b>13.86</b>   |  |  |  |  |  |  |  |

|                                                  |                                   | <b>Reserves and Surplus</b> |                            |                        |                                   |                          |                                                                            |                           |                                 |                 |
|--------------------------------------------------|-----------------------------------|-----------------------------|----------------------------|------------------------|-----------------------------------|--------------------------|----------------------------------------------------------------------------|---------------------------|---------------------------------|-----------------|
| <b>3.13</b>                                      |                                   |                             |                            |                        |                                   |                          |                                                                            |                           |                                 |                 |
| <b>Particulars</b>                               | <b>Securities Premium Reserve</b> | <b>General Reserve</b>      | <b>Revaluation Reserve</b> | <b>Capital Reserve</b> | <b>Capital Redemption Reserve</b> | <b>Retained Earnings</b> | <b>Exchange on translating Financial Statements of a foreign operation</b> | <b>Other Items of OCI</b> | <b>Non-Controlling Interest</b> | <b>Total</b>    |
| Balance as at April 1, 2018                      | 40.19                             | 180.10                      | 2.15                       | 15.39                  | 0.10                              | 771.09                   | (0.24)                                                                     | (0.66)                    | -                               | 1,008.12        |
| Current Year profits                             | -                                 | -                           | -                          | -                      | -                                 | 192.35                   | -                                                                          | -                         | -                               | 192.35          |
| Exchange ( Loss)/Gain on Translation             | -                                 | -                           | -                          | -                      | -                                 | (41.78)                  | (3.45)                                                                     | -                         | -                               | (3.45)          |
| Dividends                                        | -                                 | -                           | -                          | -                      | -                                 | (20.00)                  | -                                                                          | -                         | -                               | (41.78)         |
| Transfer to retained earnings                    | -                                 | 20.00                       | -                          | -                      | -                                 | -                        | -                                                                          | -                         | -                               | -               |
| Fair Valuation of Equity Instruments through OCI | -                                 | -                           | -                          | -                      | -                                 | -                        | -                                                                          | (0.05)                    | -                               | (0.05)          |
| Actuarial Gain/Loss on Defined Benefit Plans     | -                                 | -                           | -                          | -                      | -                                 | (0.46)                   | -                                                                          | -                         | -                               | (0.46)          |
| <b>Balance as at March 31, 2019</b>              | <b>40.19</b>                      | <b>200.10</b>               | <b>2.15</b>                | <b>15.39</b>           | <b>0.10</b>                       | <b>901.20</b>            | <b>(3.69)</b>                                                              | <b>(0.71)</b>             | <b>-</b>                        | <b>1,154.73</b> |

(₹ in Crores)

| Particulars                                      | Reserves and Surplus       |                 |                     |                 |                            |                   |                                                                                   |                    | Total  |                          |
|--------------------------------------------------|----------------------------|-----------------|---------------------|-----------------|----------------------------|-------------------|-----------------------------------------------------------------------------------|--------------------|--------|--------------------------|
|                                                  | Securities Premium Reserve | General Reserve | Revaluation Reserve | Capital Reserve | Capital Redemption Reserve | Retained Earnings | Exchange on Difference on translating Financial Statements of a foreign operation | Other Items of OCI |        | Non-Controlling Interest |
| Balance as at April 1, 2019                      | 40.19                      | 200.10          | 2.15                | 15.39           | 0.10                       | 901.20            | (3.69)                                                                            | (0.71)             | -      | 1,154.73                 |
| Current Year profits                             | -                          | -               | -                   | -               | -                          | 186.22            | -                                                                                 | -                  | (1.68) | 184.54                   |
| Bonus Issue of Shares                            | (2.31)                     | -               | -                   | -               | -                          | -                 | -                                                                                 | -                  | -      | (2.31)                   |
| Cancellation of Forfeited Shares                 | (0.11)                     | -               | -                   | 0.12            | -                          | -                 | -                                                                                 | -                  | -      | 0.01                     |
| Exchange ( Loss)/Gain on Translation             | -                          | -               | -                   | -               | -                          | -                 | 5.39                                                                              | -                  | -      | 5.39                     |
| Dividends                                        | -                          | -               | -                   | -               | -                          | (50.13)           | -                                                                                 | -                  | -      | (50.13)                  |
| Transfer to retained earnings                    | -                          | -               | -                   | -               | -                          | (20.00)           | -                                                                                 | -                  | -      | -                        |
| Fair Valuation of Equity Instruments through OCI | -                          | 20.00           | -                   | -               | -                          | -                 | -                                                                                 | (0.05)             | -      | (0.05)                   |
| Actuarial Gain/Loss on Defined Benefit Plans     | -                          | -               | -                   | -               | -                          | (1.46)            | -                                                                                 | -                  | -      | (1.46)                   |
| On account of business combination               | -                          | -               | -                   | -               | -                          | -                 | -                                                                                 | -                  | 4.09   | 4.09                     |
| Balance as at March 31, 2020                     | 37.77                      | 220.10          | 2.15                | 15.51           | 0.10                       | 1,015.83          | 1.70                                                                              | (0.76)             | 2.41   | 1,294.81                 |

**Nature and purpose of reserves:**

- (a) **Capital reserve:** The Company recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to Capital reserve.
- (b) **Securities premium reserve:** Securities premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- (c) **Capital redemption reserve:** As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of the Companies Act, 2013.
- (d) **General reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

**Significant Accounting Policies and Notes on Accounts 2 to 5**

The notes referred to above form an integral part of the audited financial statements

*As per our audit report of even date attached  
For PKF Sridhar & Santhanam LLP  
Chartered Accountants*

*Firm's Registration Number : 0039905/S200018*

*For and on behalf of the Board*

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholesale Director & Secretary  
DIN No.: 00043205

**Place : Bengaluru**  
**Date : 25<sup>th</sup> June, 2020**

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

### 1. Corporate information

TTK Prestige Limited ('TTK' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at Plot No.38, SIPCOT Industrial Complex, Hosur, Tamilnadu-635126. The Company's shares are listed and traded on Stock Exchanges in India. The Company is primarily engaged in manufacture of Kitchen and Home Appliances.

TTK Prestige Limited together with its subsidiaries is hereinafter referred to as "Group", the term "company" wherever used in the consolidated financial statements, refer to TTK Prestige Limited.

### 2. Significant Accounting Policies

#### a. Statement of Compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Sec 133 of the Companies Act 2013 and other relevant provisions of the Act as amended thereto.

#### New & Amended standards adopted:

##### Ind AS 116 – 'Leases'

Ind AS 116 'Leases' provides a new model for lease accounting in which the majority of leases have been accounted for by the recognition on the balance sheet of a right-of-use asset and a lease liability. The subsequent amortization of the right-of-use asset and the interest expense related to the lease liability have been recognized in profit or loss over the lease term.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 using the modified retrospective approach without adjusting the retained earnings. Accordingly, the Group has not restated comparative information.

The presentation and timing of recognition of charges in the statement of profit and loss also changed as the operating lease expense reported under Ind AS 17, typically on a straight-line basis, has been replaced by depreciation of the right-of-use asset and interest on the lease liability. In the cash flow statement, operating lease payments presented within cash flows from operating activities under Ind AS 17 but under Ind AS 116 payments have been presented as financing cash flows, representing repayments of debt, and as

operating cash flows, representing payments of interest.

#### Other Amendments to the existing standards

A number of other accounting standards have been modified on miscellaneous issues with effect from 1st April 2019. Such changes include clarification/guidance on:

- business combination accounting in case of obtaining control of a joint operation;
- accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;
- income tax consequences in case of dividends;
- accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- accounting for prepayment features with negative compensation in case of debt instruments;
- accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;
- accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture (long-term interests).

The above amendments did not have any material impact on the financial statements for the current year.

#### New Standards notified but not effective - None

#### b. Basis of preparation and presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

As the operating cycle cannot be identified easily in normal course, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

**c. Principles of Consolidation and Equity Accounting:**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiary has been changed where necessary to ensure consistency with the policies adopted by the group. Non-Controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**Subsidiaries:**

| Name of the Company          | Percentage of Holding |
|------------------------------|-----------------------|
| TTK British Holdings Limited | 100%                  |
| Horwood Homewares Limited    | 100%                  |
| Horwood Life Limited         | 51%                   |

**d. Other Significant Accounting Policies:**

These are set out under "Significant Accounting Policies" as given in the Company's Standalone financial statements except for

**Foreign Currency Translations:**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (INR), which is the parent's functional and presentation currency.

The results and financial position of each of the group entities whose functional currency is different from the parent's functional currency is translated using the following procedures:

- Assets and liabilities for each balance sheet presented translated at the closing rate at the date of that balance sheet.
- Income and expenses presented in statement of profit and loss translated at monthly average exchange rate and
- All resulting exchange differences recognized in other comprehensive income.

**Goodwill:**

Goodwill on acquisition of Subsidiaries is included in Intangible assets. Goodwill is not amortized but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest levels at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**  
**3.1 A - Property Plant and Equipments**

(₹ in Crores)

| Description                          | Land  | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Electrical Installations | Tools Moulds and Dies | Total  |
|--------------------------------------|-------|-----------|---------------------|------------------------|----------|------------------|--------------------------|-----------------------|--------|
| <b>Cost/Deemed Cost</b>              |       |           |                     |                        |          |                  |                          |                       |        |
| As at 01 April 2018                  | 38.79 | 164.15    | 165.96              | 21.33                  | 2.78     | 5.24             | 28.99                    | 12.67                 | 439.91 |
| Additions during the year            | -     | 3.54      | 22.32               | 6.70                   | 0.20     | 4.19             | 0.15                     | 1.93                  | 39.03  |
| Adjustment during the year           | -     | -         | -                   | -                      | -        | (1.29)           | -                        | -                     | (1.29) |
| Deletions during the year            | -     | -         | (0.25)              | -                      | (1.18)   | -                | -                        | -                     | (1.43) |
| Translation Differences              | -     | -         | -                   | 0.01                   | -        | -                | -                        | -                     | 0.01   |
| <b>As at 31 March 2019</b>           | 38.79 | 167.69    | 188.03              | 28.04                  | 1.80     | 8.14             | 29.14                    | 14.60                 | 476.23 |
| Additions during the year            | 4.49  | 37.92     | 10.58               | 6.03                   | 0.13     | 3.84             | 4.45                     | 3.42                  | 70.86  |
| Adjustment during the year           | -     | -         | -                   | -                      | -        | 0.01             | (0.01)                   | -                     | -      |
| Deletions during the year            | -     | (0.03)    | (3.14)              | (0.16)                 | (0.55)   | (0.21)           | (0.22)                   | (0.01)                | (4.32) |
| Translation Differences              | -     | -         | -                   | 0.01                   | -        | -                | -                        | -                     | 0.01   |
| <b>As at 31 March 2020</b>           | 43.28 | 205.58    | 195.47              | 33.92                  | 1.38     | 11.78            | 33.36                    | 18.01                 | 542.78 |
| <b>Depreciation and amortization</b> |       |           |                     |                        |          |                  |                          |                       |        |
| As at 01 April 2018                  | -     | 17.74     | 37.95               | 13.80                  | 1.34     | 2.13             | 6.19                     | 2.02                  | 81.17  |
| Charge for the year                  | -     | 6.18      | 13.54               | 1.57                   | 0.47     | 0.65             | 1.91                     | 1.14                  | 25.46  |
| Deletions during the year            | -     | -         | (0.24)              | -                      | (0.99)   | -                | -                        | -                     | (1.23) |
| <b>As at 31 March 2019</b>           | -     | 23.92     | 51.25               | 15.37                  | 0.82     | 2.78             | 8.10                     | 3.16                  | 105.40 |
| Charge for the year                  | -     | 6.43      | 14.16               | 2.25                   | 0.31     | 1.49             | 1.65                     | 1.87                  | 28.16  |
| Deletions during the year            | -     | (0.03)    | (2.85)              | (0.16)                 | (0.51)   | (0.21)           | (0.22)                   | (0.01)                | (3.99) |
| <b>As at 31 March 2020</b>           | -     | 30.32     | 62.56               | 17.46                  | 0.62     | 4.06             | 9.53                     | 5.02                  | 129.57 |
| <b>Net Book Value</b>                |       |           |                     |                        |          |                  |                          |                       |        |
| As at 31 March 2020                  | 43.28 | 175.26    | 132.91              | 16.46                  | 0.76     | 7.72             | 23.83                    | 12.99                 | 413.21 |
| As at 31 March 2019                  | 38.79 | 143.77    | 136.78              | 12.67                  | 0.98     | 5.36             | 21.04                    | 11.44                 | 370.83 |

Note:

a) Properties at Karjan Plant having carrying value of ₹ 206.37 Crores (PY ₹175.74 Crores) have been offered as security to Hongkong and Shanghai Banking Corporation against the guarantee issued by the company in favor of TTK British Holdings Limited (100 % subsidiary) in respect of their borrowings.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.1 B - Right of use assets

(₹ in Crores)

| Description                 | Buildings    | Vehicles    | Plant & Machinery | Total        |
|-----------------------------|--------------|-------------|-------------------|--------------|
| <b>As at 1st April 2018</b> | -            | -           | -                 | -            |
| Additions during the year   | -            | -           | -                 | -            |
| Adjustment during the year  | -            | -           | -                 | -            |
| Deletions during the year   | -            | -           | -                 | -            |
| <b>As at 1st April 2019</b> | <b>26.89</b> | <b>2.36</b> | <b>0.91</b>       | <b>30.16</b> |
| Additions during the year   | 6.56         | 0.07        | -                 | 6.63         |
| Translation Differences     | 0.41         | 0.04        | 0.01              | 0.46         |
| Deletions during the year   | -            | -           | -                 | -            |
| <b>As at 31 March 2020</b>  | <b>33.86</b> | <b>2.47</b> | <b>0.92</b>       | <b>37.25</b> |
| <b>Depreciation</b>         |              |             |                   |              |
| <b>As at 1st April 2018</b> | -            | -           | -                 | -            |
| Depreciation                | -            | -           | -                 | -            |
| Impairment                  | -            | -           | -                 | -            |
| <b>As at 1st April 2019</b> | -            | -           | -                 | -            |
| Depreciation                | 5.11         | 0.73        | 0.24              | 6.08         |
| Impairment                  | -            | -           | -                 | -            |
| <b>As at 31 March 2020</b>  | <b>5.11</b>  | <b>0.73</b> | <b>0.24</b>       | <b>6.08</b>  |
| <b>Net Book Value</b>       |              |             |                   |              |
| <b>As at 31 March 2020</b>  | <b>28.75</b> | <b>1.74</b> | <b>0.68</b>       | <b>31.17</b> |
| <b>As at 31 March 2019</b>  | -            | -           | -                 | -            |

## 3.1 C - Capital Work in Progress

| Book Value               |                             |                                        |                                         |                                      |                             |                             |                                        |                                         |                                      |                             |
|--------------------------|-----------------------------|----------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------|-----------------------------|----------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------|
| Description              | Total as at 01st April 2018 | Additions/ Adjustments during the year | Deductions/ Adjustments during the year | Impairment/ Reversal During the Year | Total as at 31st March 2019 | Total as at 01st April 2019 | Additions/ Adjustments during the year | Deductions/ Adjustments during the year | Impairment/ Reversal During the Year | Total as at 31st March 2020 |
| Capital Work in Progress | 4.33                        | 20.60                                  | 4.33                                    | -                                    | 20.60                       | 20.60                       | 45.92                                  | 60.79                                   | -                                    | 5.73                        |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.1 D - Goodwill**

(₹ in Crores)

| Description                             | Goodwill |
|-----------------------------------------|----------|
| <b>As at 1st April 2019</b>             | 127.77   |
| Additions during the year               | 5.37     |
| Deletions during the year               | -        |
| Foreign Currency Translation Difference | 3.67     |
| <b>As at 31 March 2020</b>              | 136.81   |
| <b>Amortization and Impairment</b>      |          |
| <b>As at 1st April 2019</b>             | -        |
| Amortization                            | -        |
| Impairment/ Reversals                   | 11.69    |
| <b>As at 31 March 2020</b>              | 11.69    |
| <b>Net Book Value</b>                   |          |
| <b>As at 31 March 2020</b>              | 125.12   |
| <b>As at 31 March 2019</b>              | 127.77   |

**3.1 E - Intangible assets**

| Description                        | Computers Software | Trademarks and Web Development | Total |
|------------------------------------|--------------------|--------------------------------|-------|
| <b>As at 1st April 2018</b>        | 4.34               | -                              | 4.34  |
| Additions during the year          | 1.92               | 0.27                           | 2.19  |
| Adjustment during the year         | 1.29               | -                              | 1.29  |
| Deletions during the year          | -                  | -                              | -     |
| <b>As at 1st April 2019</b>        | 7.55               | 0.27                           | 7.82  |
| Additions during the year          | 1.93               | -                              | 1.93  |
| Deletions during the year          | -                  | -                              | -     |
| <b>As at 31 March 2020</b>         | 9.48               | 0.27                           | 9.75  |
| <b>Amortization and Impairment</b> |                    |                                |       |
| <b>As at 1st April 2018</b>        | 3.45               | -                              | 3.45  |
| Amortization                       | 0.98               | 0.02                           | 1.00  |
| <b>As at 1st April 2019</b>        | 4.43               | 0.02                           | 4.45  |
| Amortization                       | 2.32               | 0.02                           | 2.34  |
| <b>As at 31 March 2020</b>         | 6.75               | 0.04                           | 6.79  |
| <b>Net Book Value</b>              |                    |                                |       |
| <b>As at 31 March 2020</b>         | 2.73               | 0.23                           | 2.96  |
| <b>As at 31 March 2019</b>         | 3.12               | 0.25                           | 3.37  |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.2 Investments (Non Current)

(₹ in Crores)

| Particulars                                                                 | 31-Mar-20   | 31-Mar-19    |
|-----------------------------------------------------------------------------|-------------|--------------|
| Investments in Equity Instruments-Fully Paid Up                             |             |              |
| (i) Other - Quoted (At Fair value through OCI)                              |             |              |
| -TTK Healthcare Limited (CY 1440 Shares,PY 1440 Shares)                     | 0.05        | 0.10         |
| (ii) Investment in Non - Convertible Debentures and Bonds :(Amortised cost) |             |              |
| Edelweiss Asset Reconstruction Company Limited -Nil (P.Y. 2630 units)       | -           | 26.30        |
| (Coupon Rate 21.98%,Redemption Date-16th Feb 2021)                          |             |              |
| <b>Total</b>                                                                | <b>0.05</b> | <b>26.40</b> |

## Foot Note:

## (i) Aggregate Amount of Quoted Investment

| Particulars   | 31-Mar-20 | 31-Mar-19 |
|---------------|-----------|-----------|
| -Cost         | 0.02      | 0.02      |
| -Market Value | 0.05      | 0.10      |

(ii) Aggregate Amount of Unquoted Investments is Nil

(iii) Aggregate Amount of Impairment in Value of investment-Nil

## 3.3 Other Non Current Assets

| Particulars                          | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------|--------------|--------------|
| Capital Advances                     | 3.82         | 5.12         |
| <b>Total</b>                         | <b>3.82</b>  | <b>5.12</b>  |
| Security Deposits                    | 7.06         | 6.59         |
| <b>Total</b>                         | <b>7.06</b>  | <b>6.59</b>  |
| Prepaid Expenses                     | 11.79        | 13.99        |
| Advance Income Tax Net of Provisions | 12.46        | 5.72         |
| <b>Total</b>                         | <b>24.25</b> | <b>19.71</b> |
| <b>Total</b>                         | <b>35.13</b> | <b>31.42</b> |

## 3.4 Inventories

| Particulars           | 31-Mar-20     | 31-Mar-19     |
|-----------------------|---------------|---------------|
| (a) Raw-Materials     | 86.85         | 92.69         |
| (b) Work in Progress  | 19.43         | 20.54         |
| (c) Finished Goods    | 125.82        | 125.50        |
| (d) Stock in Trade    | 224.49        | 221.82        |
| (e) Stock in Transit  | 5.62          | 2.68          |
| (f) Stores and Spares | 8.43          | 8.14          |
| <b>Total</b>          | <b>470.64</b> | <b>471.37</b> |

## Note:

- (i) During the year ended 31st March 2020, ₹4.47 crores (Previous year : ₹(0.64) Crore ) was recognised/(reversed) as an expense for Inventories carried at Net Realisable value.
- (ii) Mode of Valuation: Inventories are valued at lower of cost,computed on a weighted average basis and estimated net realisable value,after providing for cost of obsolescence and other anticipated losses,wherever considered necessary. Finished Goods and Work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.5 Investments**

(₹ in Crores)

| Particulars                                                                                                         | As at 31st<br>March 2020 | As at 31st<br>March 2019 |
|---------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Unquoted (NAV Available)</b>                                                                                     |                          |                          |
| <b>Investment in Mutual Funds (At Fair Value through P &amp; L)</b>                                                 |                          |                          |
| Aditya Birla Sun Life Liquid Fund - Regular Plan - NIL units - (P.Y. 5,99,869.938 units)                            | -                        | 6.01                     |
| Aditya Birla Sun Life Low Duration Fund - Regular Plan - NIL units - (P.Y. 9,93,841.802 units)                      | -                        | 10.03                    |
| Aditya Birla Sun Life Savings Fund - Regular Plan - 21,05,809.575 units - (P.Y. NIL units)                          | 21.09                    | -                        |
| Axis Treasury Advantage Fund - Regular Plan - 2,90,966.409 units (P.Y. NIL units)                                   | 29.28                    | -                        |
| Canara Robeco Liquid Fund - Regular Plan - NIL units (P.Y. 24,890.787 units)                                        | -                        | 2.50                     |
| DSP Low Duration Fund - Regular Plan - 2,28,97,791.276 units (P.Y. NIL units)                                       | 23.11                    | -                        |
| Franklin India Savings Fund - Retail Option - 89,78,330.155 units (P.Y. NIL units)                                  | 9.04                     | -                        |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - NIL units (P.Y. 2,47,57,508.017 units)            | -                        | 24.98                    |
| HDFC Balanced Advantage Fund (Prudence Fund) - Regular Plan - NIL units (P.Y. 5,69,324.917 units)                   | -                        | 11.45                    |
| HDFC Low Duration Fund - Regular Plan - 2,91,16,530.126 units (P.Y. NIL units)                                      | 29.53                    | -                        |
| HDFC Ultra Short Term Fund - Regular Plan - NIL units (P.Y. 39,85,922.416 units)                                    | -                        | 4.01                     |
| ICICI Prudential Ultra Short Term Fund - Regular Plan - Growth - 1,32,65,831.656 units (P.Y. 1,32,65,831.656 units) | 27.02                    | 25.06                    |
| IDFC Arbitrage Fund - Direct Plan - 86,74,864.743 units (P.Y. 82,31,343.99 units)                                   | 11.48                    | 10.82                    |
| IDFC Arbitrage Fund - Regular Plan - 1,31,17,506.246 units (P.Y. 1,24,47,038.67 units)                              | 16.69                    | 15.85                    |
| IDFC Low Duration Fund - Regular Plan - 2,83,09,474.901 units (P.Y. NIL units)                                      | 28.51                    | -                        |
| Invesco India Treasury Advantage Fund - Regular Plan - 3,12,298.156 units (P.Y. NIL units)                          | 31.55                    | -                        |
| Kotak Low Duration Fund - Regular Plan - Growth - 85,666.222 units (P.Y. NIL units)                                 | 21.11                    | -                        |
| Kotak Savings Fund - Regular Plan - 40,87,895.811 units (P.Y. 1,41,54,104.381 units)                                | 4.12                     | 14.27                    |
| L & T Money Market Fund (Floating Rate Fund) - Regular Plan - NIL units (P.Y. 74,09,617.678 units)                  | -                        | 8.05                     |
| Reliance Floating Rate Fund - Regular Plan - Growth - 31,66,049.815 units (P.Y. NIL units)                          | 10.06                    | -                        |
| SBI Magnum Low Duration Fund - Regular Plan - 3,16,240.975 units (P.Y. NIL units)                                   | 32.06                    | -                        |
| Sundaram Money Fund - Regular Plan - NIL units (P.Y. 24,79,417.999 units)                                           | -                        | 2.50                     |
| <b>Total -Aggregate value of Unquoted Investments</b>                                                               | <b>294.65</b>            | <b>135.53</b>            |
| <b>Investment in Non - Convertible Debentures and Bonds (Amortized cost)</b>                                        |                          |                          |
| Edelweiss Finvest Private Limited - NIL units (P.Y. 1952 units)                                                     | -                        | 20.00                    |
| Edelweiss Asset Reconstruction Company Limited -2630 units (P.Y. Nil)                                               | 26.30                    | -                        |
| (Coupon Rate 21.98%, Redemption Date-16th Feb 2021)                                                                 |                          |                          |
| Bharath Bond ETF - APRIL 2023 - Regular Plan - Growth - 1,00,000 units (P.Y. NIL )                                  | 10.00                    | -                        |
| 7.80 HDFC LTD 2019 -NIL - (P.Y. 100 units)                                                                          | -                        | 10.00                    |
| <b>Total</b>                                                                                                        | <b>36.30</b>             | <b>30.00</b>             |
| <b>Grand Total</b>                                                                                                  | <b>330.95</b>            | <b>165.53</b>            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.6 Trade Receivables

(₹ in Crores)

| Particulars                    | 31-Mar-20     | 31-Mar-19     |
|--------------------------------|---------------|---------------|
| From related parties           | 0.07          | 0.01          |
| Others                         | 278.03        | 305.07        |
| <b>Total Trade Receivables</b> | <b>278.10</b> | <b>305.08</b> |

|                                     | 31-Mar-20     | 31-Mar-19     |
|-------------------------------------|---------------|---------------|
| <b>Trade Receivables</b>            |               |               |
| Unsecured, considered good          | 278.10        | 305.08        |
| Significant Increase in Credit Risk | -             | -             |
| Credit Impaired                     | 16.47         | 11.04         |
| <b>Total</b>                        | <b>294.57</b> | <b>316.12</b> |
| Less: Loss Allowance                | 16.47         | 11.04         |
| <b>Total Trade Receivables</b>      | <b>278.10</b> | <b>305.08</b> |

No Trade Receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

| Movement in Provision for Doubtful Debts | 31-Mar-20    | 31-Mar-19    |
|------------------------------------------|--------------|--------------|
| <b>Opening Balance</b>                   | <b>11.04</b> | <b>9.34</b>  |
| Charge for the year                      | 5.65         | 2.09         |
| Utilised                                 | 0.22         | 0.39         |
| Unused amounts reversed                  | -            | -            |
| <b>Closing Balance</b>                   | <b>16.47</b> | <b>11.04</b> |

## 3.7 Cash and Cash Equivalents

| Particulars                                               | 31-Mar-20    | 31-Mar-19    |
|-----------------------------------------------------------|--------------|--------------|
| (A) Balances with banks:                                  |              |              |
| On current accounts                                       | 52.70        | 31.90        |
| (B) Cheques on Hand                                       | 0.26         | 6.79         |
| (C) Cash in Hand                                          | 0.08         | 0.03         |
| (D) Deposits with Original Maturity of less than 3 Months | -            | 40.00        |
| <b>Total Cash and Cash Equivalents</b>                    | <b>53.04</b> | <b>78.72</b> |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.8 Other Balances with Banks**

(₹ in Crores)

| Particulars                            | 31-Mar-20   | 31-Mar-19   |
|----------------------------------------|-------------|-------------|
| Earmarked Bank Balances                |             |             |
| i) Unpaid Dividend Bank Account        | 1.37        | 1.33        |
| ii) Bank Balances held as Margin Money | 2.72        | 0.56        |
| Term Deposits with Banks               | 0.44        | 0.44        |
| <b>Total</b>                           | <b>4.53</b> | <b>2.33</b> |

**3.9 Other Current Financial Assets**

| Particulars                 | 31-Mar-20   | 31-Mar-19   |
|-----------------------------|-------------|-------------|
| Accrued Interest Receivable | 3.73        | 3.63        |
| <b>Total</b>                | <b>3.73</b> | <b>3.63</b> |

**3.10 Current Tax Assets (Net)**

| Particulars                   | 31-Mar-20 | 31-Mar-19   |
|-------------------------------|-----------|-------------|
| Advance Fringe Benefits Taxes | -         | 0.11        |
| <b>Total</b>                  | <b>-</b>  | <b>0.11</b> |

**3.11 Other Current Assets**

| Particulars                                     | 31-Mar-20    | 31-Mar-19    |
|-------------------------------------------------|--------------|--------------|
| Advance to Employees Unsecured, considered good | 0.26         | 0.21         |
| Other Advances Unsecured, considered good       | 15.55        | 13.00        |
| Prepaid Expenses                                | 4.81         | 5.79         |
| Prepayment-Lease Rentals                        | 0.62         | 0.63         |
| Balances With Customs                           | 0.64         | 0.02         |
| GST Receivables(Net)                            | 25.23        | 25.09        |
| <b>Total</b>                                    | <b>47.11</b> | <b>44.74</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.12 Equity Share Capital

(₹ in Crores)

| Particulars                                                                                    | 31-Mar-20    | 31-Mar-19    |
|------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Authorised Share Capital</b>                                                                |              |              |
| 1,50,00,000 Equity shares of ₹ 10 each with voting rights                                      | 15.00        | 15.00        |
| <b>Total</b>                                                                                   | <b>15.00</b> | <b>15.00</b> |
| <b>Issued and Subscribed Share Capital:</b>                                                    |              |              |
| 1,39,61,402 Equity shares of ₹10 each<br>(Previous Year 1,16,78,469 Equity Shares of ₹10 each) | 13.96        | 11.68        |
| <b>Paid Up Share Capital:</b>                                                                  |              |              |
| 1,38,61,402 Equity Shares of ₹10 each<br>(Previous Year 1,15,51,169 Equity Shares of ₹10 each) | 13.86        | 11.55        |
| Add : 27,300 Equity Shares Forfeited ( ₹ 5 paid-up)                                            | -            | 0.01         |
| <b>Total</b>                                                                                   | <b>13.86</b> | <b>11.56</b> |

1. Paid Up Share Capital of 1,38,61,402 shares (Previous Year : 1,15,51,169 shares) includes 1,01,79,297 shares (Previous year : 78,69,064 shares ) of ₹ 10 each allotted as Bonus Shares fully paid-up by capitalisation of reserves, and 20,106 shares issued to shareholders of M/s.Prestige Housewares India Limited (PHIL) consequent to merger of PHIL with TTK Prestige Limited. The Paid up Share Capital also includes 9,979 shares of ₹ 10 each issued to shareholders of Triveni Bialetti Industries Private Limited as per the demerger scheme approved by the Honorable High Courts of Madras and Bombay.
2. During the Year, 23,10,233 nos of Bonus Shares have been allotted on 17th May 2019 (pursuant to the Share Holders resolution, dated 3rd May 2019 approving the same), thus increasing the paid up share capital to ₹ 13.86 Crores. These bonus shares rank paripassu in all respects with the existing shares and will be entitled to any dividend declared after 17th May 2019.
3. During the year 2017-18, the Company completed Buy back of 1,00,000 Equity shares @ ₹ 7,000 per share aggregating to ₹ 70 crores. The Excess amount over Face value of these shares along with expenses relating to Buy back have been debited to Securities Premium Reserve in accordance with the provisions of the Companies Act.
4. As on 31st March 2019, the issued and subscribed capital of the company stood at 1,16,78,469 shares of ₹ 10 each which included 27300 forfeited shares. a) These forfeited Shares (pursuant to the resolution approved by shareholders through postal ballot) have been cancelled during the year. The amount of ₹ 5 per share paid up on the forfeited shares has been transferred to capital reserve. b) An additional 23,10,233 Shares have been issued as Bonus Shares on 19th May 2019. After considering a) & b) above, the current issued and subscribed capital stand at 1,39,61,402 shares of ₹ 10 each.
5. The Authorized Share capital remains the same i.e. ₹ 15 Crores divided into 1,50,00,000 equity shares of ₹ 10 each.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.12a Movement in respect of Equity Shares is given below :**

(₹ in Crores)

| Particulars                               | 31-Mar-20          |              | 31-Mar-19          |              |
|-------------------------------------------|--------------------|--------------|--------------------|--------------|
|                                           | Nos.               | Amount in ₹  | Nos.               | Amount in ₹  |
| At the beginning of the year              | 1,15,51,169        | 11.55        | 1,15,51,169        | 11.55        |
| (+) Issued during the year                | 23,10,233          | 2.31         | -                  | -            |
| (-) Buyback during the year               | -                  | -            | -                  | -            |
| <b>Outstanding at the end of the year</b> | <b>1,38,61,402</b> | <b>13.86</b> | <b>1,15,51,169</b> | <b>11.55</b> |

**3.12b Details of Shareholders holding more than 5% shares in the Company**

| Particulars                                           | 31-Mar-20 |              | 31-Mar-19 |              |
|-------------------------------------------------------|-----------|--------------|-----------|--------------|
|                                                       | Nos.      | % of Holding | Nos.      | % of Holding |
| T.T. Krishnamachari & Co. represented by its partners | 83,64,400 | 60.34%       | 69,70,334 | 60.34%       |
| Axis Capital Builder Fund                             | 10,49,847 | 7.57%        | 9,26,138  | 8.02%        |

**3.12c Details of Dividend declared and paid**

During the year , Dividend of ₹ 41.58 Crores and Dividend Distribution Tax of ₹ 8.55 Crores (₹ 30 Per share) pertaining to the year 2018-19 was paid. Proposed dividend for the FY 2019-20 is ₹ 27.72 Crores (₹ 20 Per share -Refer notes 5.14)

**3.13 Other Equity**

| Particulars                                                                    | 31-Mar-20       | 31-Mar-19       |
|--------------------------------------------------------------------------------|-----------------|-----------------|
| Security Premium Reserve                                                       | 37.77           | 40.19           |
| General Reserve                                                                | 220.10          | 200.10          |
| Revaluation Reserve                                                            | 2.15            | 2.15            |
| Capital Reserve                                                                | 15.51           | 15.39           |
| Capital Redemption Reserve                                                     | 0.10            | 0.10            |
| Retained Earnings                                                              | 1,015.83        | 901.20          |
| Exchange Difference on translating Financial Statements of a foreign operation | 1.70            | (3.69)          |
| Other Items of OCI                                                             | (0.76)          | (0.71)          |
| Non-Controlling Interest                                                       | 2.41            | -               |
| <b>Total</b>                                                                   | <b>1,294.81</b> | <b>1,154.73</b> |

**3.14 Borrowings**

| Particulars                                                                                                                     | 31-Mar-20    | 31-Mar-19    |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Secured                                                                                                                         |              |              |
| From Banks(HSBC) on floating rate of interest<br>(Refer Note 3.1A)<br>(Interest Rate-LIBOR+ 1.5%,Maturity Date-11th April 2021) | 18.62        | 54.29        |
| <b>Total</b>                                                                                                                    | <b>18.62</b> | <b>54.29</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 3.15 Long Term Provisions

(₹ in Crores)

| Particulars                                      | 31-Mar-20   | 31-Mar-19   |
|--------------------------------------------------|-------------|-------------|
| Provision for Employee Benefits :-               |             |             |
| Compensated Absence Liabilities (Refer Note 5.9) | 1.09        | 1.05        |
| Gratuity Liabilities (Refer Note 5.9)            | 3.36        | 1.93        |
| <b>Total</b>                                     | <b>4.45</b> | <b>2.98</b> |

## 3.16 Deferred Tax Asset(s)/ (Liabilities)

## Components of Deferred Tax Assets and Liabilities

| Particulars                                                                       | 31-Mar-20    | 31-Mar-19     |
|-----------------------------------------------------------------------------------|--------------|---------------|
| <b>A. Deferred Tax Liabilities</b>                                                |              |               |
| Temporay Difference on Fixed Assets Depreciation between Companies Act and IT Act | 32.92        | 44.60         |
| <b>Total (A)</b>                                                                  | <b>32.92</b> | <b>44.60</b>  |
| <b>B. Deferred Tax Assets</b>                                                     |              |               |
| Voluntary Retirement Scheme                                                       | -            | (0.26)        |
| <b>Total (B)</b>                                                                  | <b>-</b>     | <b>(0.26)</b> |
| <b>Net Deferred Tax Liabilities</b>                                               | <b>32.92</b> | <b>44.34</b>  |

## Reconciliation of deferred tax liabilities/ Asset(s)- net

| Particulars                                                       | 31-Mar-20    | 31-Mar-19    |
|-------------------------------------------------------------------|--------------|--------------|
| <b>Opening balance</b>                                            | <b>44.34</b> | <b>41.65</b> |
| Tax (income)/expense during the year recognised in profit or loss | (11.44)      | 2.73         |
| Tax (income)/expense during the year recognised in OCI            | 0.02         | (0.04)       |
| <b>Closing balance</b>                                            | <b>32.92</b> | <b>44.34</b> |

## 3.17 Trade Payables - Current

| Particulars                 | 31-Mar-20     | 31-Mar-19     |
|-----------------------------|---------------|---------------|
| Micro and Small Enterprises | 31.72         | 19.44         |
| <b>Total</b>                | <b>31.72</b>  | <b>19.44</b>  |
| Other payables              | 165.77        | 182.14        |
| Related parties             | 0.29          | 1.67          |
| <b>Total</b>                | <b>166.06</b> | <b>183.81</b> |
| <b>Total</b>                | <b>197.78</b> | <b>203.25</b> |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**3.18 Other Financial Liabilities - Current**

(₹ in Crores)

| Particulars                                | 31-Mar-20     | 31-Mar-19     |
|--------------------------------------------|---------------|---------------|
| Employee related liabilities               | 7.60          | 1.54          |
| Employee Bonus and Incentives              | 19.31         | 28.65         |
| Creditors for capital goods and services   | 2.41          | 4.55          |
| Unclaimed Dividend                         | 1.37          | 1.33          |
| Provision for Expenses                     | 37.13         | 16.64         |
| Accrual for Schemes                        | 56.02         | 48.32         |
| Current Maturities of Long Term Borrowings | 37.23         | 36.19         |
| <b>Total</b>                               | <b>161.07</b> | <b>137.22</b> |

**3.19 Other Current Liabilities**

| Particulars                                | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------------|--------------|--------------|
| Statutory Liabilities -Taxes Payable       | 4.33         | 5.10         |
| Advance Collected from customers           | 23.18        | 18.93        |
| Provision for Scheme in Kind               | 1.86         | -            |
| Interest accrued but not due on borrowings | -            | 0.54         |
| <b>Total</b>                               | <b>29.37</b> | <b>24.57</b> |

**3.20 Short-term Provisions**

| Particulars                                            | 31-Mar-20    | 31-Mar-19    |
|--------------------------------------------------------|--------------|--------------|
| Other Provisions :- (Refer foot note below)            |              |              |
| Provision for Export Promotion Capital Goods Liability | 12.74        | 12.02        |
| Provision for Warranty                                 | 5.85         | 6.73         |
| <b>Total</b>                                           | <b>18.59</b> | <b>18.75</b> |

**Foot Note:**
**Movement in Other Provisions**

| Particulars                                            | Year    | Opening Balance | Additions | Amount Used | Amount Reversed | Closing Balance |
|--------------------------------------------------------|---------|-----------------|-----------|-------------|-----------------|-----------------|
| Provision for Export Promotion Capital Goods Liability | 2019-20 | 12.02           | 0.72      | -           | -               | 12.74           |
|                                                        | 2018-19 | 10.93           | 1.09      | -           | -               | 12.02           |
| Provision for Warranty                                 | 2019-20 | 6.73            | 9.57      | (10.45)     | -               | 5.85            |
|                                                        | 2018-19 | 5.47            | 7.83      | (6.57)      | -               | 6.73            |

**3.21 Current Tax Liabilities**

| Particulars                                   | 31-Mar-20 | 31-Mar-19   |
|-----------------------------------------------|-----------|-------------|
| Provision for Income Tax (Net of Advance Tax) | -         | 0.21        |
| <b>Total</b>                                  | <b>-</b>  | <b>0.21</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 4.1 Revenue From Operations

(₹ in Crores)

| Particulars                     | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|---------------------------------|-----------------------------|-----------------------------|
| <b>Revenue from Operations:</b> |                             |                             |
| Sale of Products                | 2,064.04                    | 2,096.26                    |
| Sale of Scrap                   | 8.95                        | 10.65                       |
| <b>Total</b>                    | <b>2,072.99</b>             | <b>2,106.91</b>             |

## 4.2 Other Income

| Particulars                                        | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|----------------------------------------------------|-----------------------------|-----------------------------|
| Interest Income from Bank Deposits etc.            | 0.73                        | 6.13                        |
| Interest Income on other financial assets          | 4.11                        | 3.17                        |
| Dividend Income from Mutual Funds                  | 6.22                        | 5.20                        |
| Income on Mutual Funds due to change in fair value | 4.22                        | 3.37                        |
| Other Non-Operating Income                         | 9.38                        | 7.37                        |
| <b>Total</b>                                       | <b>24.66</b>                | <b>25.24</b>                |

## 4.3 Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods

| Particulars                                                                              | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening Balance                                                                          |                             |                             |
| (a) Work in Progress                                                                     | 20.54                       | 15.92                       |
| (b) Finished Goods                                                                       | 125.50                      | 98.27                       |
| (c) Stock in Trade                                                                       | 224.50                      | 225.71                      |
| <b>Total Opening Balance</b>                                                             | <b>370.54</b>               | <b>339.90</b>               |
| Closing Balance                                                                          |                             |                             |
| (a) Work in Progress                                                                     | 19.43                       | 20.54                       |
| (b) Finished Goods                                                                       | 125.82                      | 125.50                      |
| (c) Stock in Trade                                                                       | 224.49                      | 224.50                      |
| <b>Total Closing Balance</b>                                                             | <b>369.74</b>               | <b>370.54</b>               |
| <b>Total Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods</b> | <b>0.80</b>                 | <b>(30.64)</b>              |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**4.4 Employee Benefits Expense and Payment to Contractors**

(₹ in Crores)

| Particulars                                         | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-----------------------------------------------------|-----------------------------|-----------------------------|
| Salaries, Wages, Bonus etc.                         | 169.84                      | 167.42                      |
| Company's Contribution to Provident and Other Funds | 7.04                        | 6.90                        |
| Staff Welfare Expenses                              | 12.39                       | 11.66                       |
| <b>Total</b>                                        | <b>189.27</b>               | <b>185.98</b>               |

**4.5 Finance Costs**

| Particulars                   | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-------------------------------|-----------------------------|-----------------------------|
| Interest Costs                | 1.85                        | 2.61                        |
| Interest on Dealer deposits   | 0.94                        | 0.86                        |
| Bank Guarantee charges        | 0.39                        | 0.83                        |
| Consortium charges            | 0.09                        | 0.20                        |
| Interest on Lease Liabilities | 2.19                        | -                           |
| <b>Total</b>                  | <b>5.46</b>                 | <b>4.50</b>                 |

**4.6 Depreciation and Amortization Expenses**

| Particulars                         | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-------------------------------------|-----------------------------|-----------------------------|
| Depreciation                        | 28.16                       | 25.47                       |
| Amortization                        | 2.34                        | 0.99                        |
| Depreciation on Right of Use Assets | 6.08                        | -                           |
| <b>Total</b>                        | <b>36.58</b>                | <b>26.46</b>                |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

## 4.7 Other Expenses

(₹ in Crores)

| Particulars                                      | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|--------------------------------------------------|-----------------------------|-----------------------------|
| Fuel, power and light                            | 20.35                       | 21.32                       |
| Repairs & Maintenance                            |                             |                             |
| - buildings                                      | 3.05                        | 3.29                        |
| - machinery                                      | 4.52                        | 4.83                        |
| - others                                         | 6.50                        | 5.29                        |
| Sales Promotion Expenses                         | 19.55                       | 25.10                       |
| Sundry Manufacturing Expenses                    | 4.46                        | 6.08                        |
| Consumption-Stores and Spares                    | 8.99                        | 7.70                        |
| Short Term Lease Rentals                         | 12.22                       | -                           |
| Rent                                             | -                           | 9.68                        |
| Motor Vehicle Expenses                           | 2.12                        | 1.05                        |
| Bank Charges                                     | 3.08                        | 3.99                        |
| Rates and taxes                                  | 2.22                        | 2.52                        |
| Carriage Outwards                                | 92.65                       | 88.67                       |
| Insurance                                        | 1.51                        | 1.58                        |
| Advertising and publicity                        | 120.86                      | 122.34                      |
| Printing and stationery                          | 1.40                        | 1.64                        |
| Passage and travelling                           | 15.16                       | 14.49                       |
| Provision for doubtful debts (Refer Note 3.6)    | 5.65                        | 2.09                        |
| Bad Debts                                        | 0.32                        | 0.30                        |
| Legal & Professional Charges                     | 6.58                        | 4.60                        |
| Loss on Sale of Property, Plant and Equipment    | 0.11                        | -                           |
| Expenditure on Corporate Social Responsibility   | 4.60                        | 3.84                        |
| Variable Lease Payments                          | 12.86                       | -                           |
| Distribution Expenses                            | 17.62                       | 41.22                       |
| Miscellaneous Expenses                           | 27.63                       | 22.88                       |
| Communication Expenses                           | 2.52                        | 2.35                        |
| Service Centre Expenses                          | 10.97                       | 8.91                        |
| Payment made to Auditors (Refer Foot note below) | 0.97                        | 0.74                        |
| Directors' sitting fee                           | 0.30                        | 0.30                        |
| Non Executive Directors' Commission              | 6.86                        | 1.53                        |
| <b>Total</b>                                     | <b>415.63</b>               | <b>408.33</b>               |

## Note:

| Particulars                                             | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Payments to the Auditors as</b>                      |                             |                             |
| (i) For Statutory Audit Fees                            | 0.85                        | 0.57                        |
| (ii) For Limited Reviews/Certification/Taxation Matters | 0.10                        | 0.14                        |
| (iii) For Reimbursement of Expenses                     | 0.02                        | 0.03                        |
| <b>Total</b>                                            | <b>0.97</b>                 | <b>0.74</b>                 |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**
**4.8 Current and Deferred Taxes**

(₹ in Crores)

| Particulars                                                           | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Current tax</b>                                                |                             |                             |
| Current tax on profits for the year                                   | 61.43                       | 90.61                       |
| Adjustments for Current tax of prior periods                          | (0.13)                      | 0.61                        |
| <b>Total Current Tax Expenses</b>                                     | <b>61.30</b>                | <b>91.22</b>                |
| <b>(b) Deferred Tax</b>                                               |                             |                             |
| Decrease/(Increase) in deferred Tax Assets                            | 0.27                        | 0.25                        |
| (Decrease)/Increase in deferred Tax Liabilities                       | (11.71)                     | 2.48                        |
| <b>Total Deferred Tax expenses/(Benefit)</b>                          | <b>(11.44)</b>              | <b>2.73</b>                 |
| <b>Income Tax Expense recognized in Profit and Loss Account (a+b)</b> | <b>49.86</b>                | <b>93.95</b>                |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

**5.1 Critical judgements in applying accounting policies & Key sources of estimation uncertainty:**

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accounting disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying number of assets or liabilities affected in future periods.

**Critical Judgements in applying accounting policies:**

- (i) **Leases:** The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- (i) **Useful life of Property, Plant & Equipment (PPE)**

The Group reviews the estimated useful lives of PPE at the end of each reporting period.

- (ii) **Defined benefit plans** Defined Benefit Obligations (DBO)  
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- (iii) **Estimation of uncertainty relating to the Global health Pandemic on COVID 19** (Refer note 5.15)

**5.2 Financial risk management objectives and policies**

The group is exposed primarily to fluctuations in credit, liquidity and interest rate risks and foreign currency exchange rates, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**Price Risk**

The Group is not exposed to any material price risk that could adversely affect the value of the group's financial assets or expected future cash flows.

**Foreign currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollars against the functional currency of the Group.

The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020** (₹ in Crores)

The Group imports raw materials and finished goods from outside India as well as makes export sales to countries outside the territories in which they operate from. The Group is, therefore, exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against foreign currency vendor payables.

The Group's outstanding foreign currency exposure is as follows: (USD/Pounds/Euro in Crores)

| Particulars | Liabilities as at |           | Assets as at |           |
|-------------|-------------------|-----------|--------------|-----------|
|             | 31 Mar'20         | 31 Mar'19 | 31 Mar'20    | 31 Mar'19 |
| USD         | 0.64              | 0.79      | 0.03         | 0.00      |
| Pounds      | 0.00              | 0.00      | 0.00         | 0.00      |
| Euro        | 0.00              | 0.00      | 0.01         | 0.01      |

**Foreign currency sensitivity analysis**

The Group is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

| USD sensitivity at year end | 31 Mar'20 | 31 Mar'19 |
|-----------------------------|-----------|-----------|
| <b>Receivables:</b>         |           |           |
| Weakening of INR by 5%      | 0.11      | 0.00      |
| Strengthening of INR by 5%  | (0.11)    | 0.00      |
| <b>Payables:</b>            |           |           |
| Weakening of INR by 5%      | -         | -         |
| Strengthening of INR by 5%  | -         | -         |

**Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of credit risk principally consist of investments classified as loans and receivables, trade receivables, loans and advances, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 670.35 Crores, and ₹ 555.29 Crores as of March 31, 2020, March 31, 2019 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other

financial assets and investments excluding equity and preference investments.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2020 (two as of March 31, 2019).

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents, financial assets carried at fair value and interest-bearing deposits with corporate are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits placed with corporates, which have high credit rating assigned by international and domestic credit-rating agencies.

Financial assets carried at fair value substantially include investment in liquid mutual fund units. With respect to Trade receivables and other financial assets that are past due but not impaired, there were no indications as of March 31, 2020, that defaults in payment obligations will occur except as described in note 3.6 on allowances for impairment of trade receivables. The Group does not hold any collateral for trade receivables and other financial assets. Trade receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. At 31 March 2020, the Group had 3 Customers (31 March 2019: 2 customers) that owed the Group more than 5% of the Total receivables, which accounted for approximately 20.15% (31 March 2019: 26.30%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. The cash surpluses of the Group are short term in nature and are invested in Liquid Debt Mutual funds and Bonds. Hence the assessed credit risk is low.

**Liquidity risk**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity

and ensure that funds are available for use as per requirements.

The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below summarizes the maturity profile of the Group's financial liabilities (excluding lease liability) based on contractual undiscounted payments and financial assets (excluding cash and cash equivalents) based on contractual undiscounted receipts:

| As at 31 <sup>st</sup> March 2020                | On demand     | Less than 3 months | 3 to 12 months | 1 to 3 years | > 3 years | Total         |
|--------------------------------------------------|---------------|--------------------|----------------|--------------|-----------|---------------|
| Trade and other payables                         | -             | 197.78             | -              | -            | -         | 197.78        |
| <b>Other financial liabilities</b>               |               |                    |                |              |           |               |
| Employee related liabilities                     | 7.60          | -                  | -              | -            | -         | 7.60          |
| Employee Bonus and Incentives                    | -             | 12.17              | 7.14           | -            | -         | 19.31         |
| Creditors for capital goods and services         | -             | 2.41               | -              | -            | -         | 2.41          |
| Unclaimed Dividend                               | 1.37          | -                  | -              | -            | -         | 1.37          |
| Provision for Expenses/Schemes                   | -             | 93.15              | -              | -            | -         | 93.15         |
| Borrowings                                       | -             | 18.62              | 18.61          | 18.62        | -         | 55.85         |
|                                                  | <b>8.97</b>   | <b>324.13</b>      | <b>25.75</b>   | <b>18.62</b> | -         | <b>377.47</b> |
| <b>As at 31<sup>st</sup> March 2019</b>          |               |                    |                |              |           |               |
| Trade and other payables                         | -             | 203.25             | -              | -            | -         | 203.25        |
| <b>Other financial liabilities</b>               |               |                    |                |              |           |               |
| Employee related liabilities                     | 1.54          | -                  | -              | -            | -         | 1.54          |
| Employee Bonus and Incentives                    | -             | 21.81              | 6.84           | -            | -         | 28.65         |
| Creditors for capital goods and services         | -             | 4.55               | -              | -            | -         | 4.55          |
| Unclaimed Dividend                               | 1.33          | -                  | -              | -            | -         | 1.33          |
| Provision for Expenses/Schemes                   | -             | 64.96              | -              | -            | -         | 64.96         |
| Borrowings                                       | -             | 18.10              | 18.09          | 54.29        | -         | 90.48         |
|                                                  | <b>2.87</b>   | <b>312.67</b>      | <b>24.93</b>   | <b>54.29</b> | -         | <b>394.76</b> |
| <b>As at 31<sup>st</sup> March 2020</b>          |               |                    |                |              |           |               |
| Investment in Mutual Funds, Bonds and Debentures | 304.65        | -                  | 26.30          | -            | -         | 330.95        |
| Bank Deposits                                    | 1.37          | -                  | 3.16           | -            | -         | 4.53          |
| Trade receivables                                | -             | 278.10             | -              | -            | -         | 278.10        |
| Other Financial Assets                           | -             | 3.73               | -              | -            | -         | 3.73          |
|                                                  | <b>296.02</b> | <b>281.83</b>      | <b>39.46</b>   | -            | -         | <b>617.31</b> |
| <b>As at 31<sup>st</sup> March 2019</b>          |               |                    |                |              |           |               |
| Investment in Mutual Funds, Bonds and Debentures | 135.53        | -                  | 30.00          | 26.30        | -         | 191.83        |
| Bank Deposits                                    | 1.33          | -                  | 1.00           | -            | -         | 2.33          |
| Trade receivables                                | -             | 305.08             | -              | -            | -         | 305.08        |
| Other Financial Assets                           | -             | 3.63               | -              | -            | -         | 3.63          |
|                                                  | <b>136.86</b> | <b>308.71</b>      | <b>31.00</b>   | <b>26.30</b> | -         | <b>502.87</b> |

The Group has access to committed credit facilities as described below of which the funded limit were unused at the end of the current and comparable reporting periods. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Fund Based Limit: ₹ 110.00 Crores (PY ₹ 110.00 Crores)

Non-Fund Based Limit: ₹ 60 Crores (PY ₹ 60 Crores)

Securities offered

(a) Hypothecation of entire stocks of Raw materials, WIP, Finished goods, Stores & Spares, Book-debts.

(b) Hypothecation / mortgage of Fixed Assets

**5.3 Financial Instruments**
**a. Derivative financial instruments**
**For the Parent:**

| Particulars                                                            | Currency | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|------------------------------------------------------------------------|----------|-------------------------|-------------------------|
| Forward Contracts (Buy)                                                | USD      | 0.54                    | 0.39                    |
| Forward Contracts (Sell)                                               | Euro     | 0.01                    | 0.01                    |
| Gain/(loss) mark to market in respect of forward contracts outstanding | Rupees   | 0.00                    | 0.00                    |

**(i) Forward contract**

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables denominated in certain foreign currencies. The details of outstanding forward contracts as at March 31, 2020 and March 31, 2019 are given below:

It is the policy of the Holding Company to enter into forward exchange contracts to cover specific foreign currency payments (100% of the exposure generated). Subsidiaries take forward contract for future purchases as well.

The Group recognized a net gain on the forward contracts of ₹ 0.89 Crore for the year ended March 31, 2020 (Previous year ₹ 0.86 Crore).

**For the Subsidiaries:**

| Particulars             | Currency | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|-------------------------|----------|-------------------------|-------------------------|
| Forward Contracts (Buy) | USD      | 0.10                    | 0.40                    |
|                         | Pounds   | 0.00                    | 0.00                    |

All open forward exchange contracts mature within three months from the balance sheet date.

**(ii) Cross Currency Swap: None**
**(iii) Interest rate swap: None**
**b. Financial assets and liabilities**
**a) Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

**Fair Value Measurement:**

| As at March 31, 2020          | FVPL          | FVOCI        | Amortized Cost        | Total carrying value        |
|-------------------------------|---------------|--------------|-----------------------|-----------------------------|
| <b>Financial assets:</b>      |               |              |                       |                             |
| Trade Receivables             | -             | -            | 278.10                | 278.10                      |
| Investments                   | 294.65        | 0.05         | 36.30                 | 331.00                      |
| Bank Balances                 | -             | -            | 4.53                  | 4.53                        |
| Other financial assets        | -             | -            | 3.73                  | 3.73                        |
| <b>Total</b>                  | <b>294.65</b> | <b>0.05</b>  | <b>322.66</b>         | <b>617.36</b>               |
| <b>Financial liabilities:</b> |               |              |                       |                             |
| Borrowings                    | -             | -            | 55.85                 | 55.85                       |
| Creditors                     | -             | -            | 197.78                | 197.78                      |
| Forward Contracts             | -             | -            | -                     | -                           |
| Other financial liabilities   | -             | -            | 123.84                | 123.84                      |
| <b>Total</b>                  | <b>0.00</b>   | <b>0.00</b>  | <b>377.47</b>         | <b>377.47</b>               |
| <b>As at March 31, 2019</b>   | <b>FVPL</b>   | <b>FVOCI</b> | <b>Amortized Cost</b> | <b>Total carrying value</b> |
| <b>Financial assets:</b>      |               |              |                       |                             |
| Trade Receivables             | -             | -            | 305.08                | 305.08                      |
| Investments                   | 135.53        | 0.10         | 56.30                 | 191.93                      |
| Bank Balances                 | -             | -            | 2.33                  | 2.33                        |
| Other financial assets        | -             | -            | 3.63                  | 3.63                        |
| <b>Total</b>                  | <b>135.53</b> | <b>0.10</b>  | <b>367.34</b>         | <b>502.97</b>               |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

|                               |   |   |               |               |
|-------------------------------|---|---|---------------|---------------|
| <b>Financial liabilities:</b> |   |   |               |               |
| Borrowings                    | - | - | 90.48         | 90.48         |
| Creditors                     | - | - | 203.25        | 203.25        |
| Forward Contracts             | - | - | -             | -             |
| Other financial liabilities   | - | - | 101.03        | 101.03        |
| <b>Total</b>                  | - | - | <b>394.76</b> | <b>394.76</b> |

- b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value Disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a) above approximate their fair values.

| <b>March 31, 2020</b>    | <b>Level-1</b> | <b>Level-2</b> | <b>Level-3</b> | <b>Total Carrying Value</b> |
|--------------------------|----------------|----------------|----------------|-----------------------------|
| <b>Financial assets:</b> |                |                |                |                             |
| Investments              | 294.70         | -              | -              | 294.70                      |
| <b>Total</b>             | <b>294.70</b>  | -              | -              | <b>294.70</b>               |
| <b>March 31, 2019</b>    | <b>Level-1</b> | <b>Level-2</b> | <b>Level-3</b> | <b>Total Carrying Value</b> |
| <b>Financial assets:</b> |                |                |                |                             |
| Investments              | 135.63         | -              | -              | 135.63                      |
| <b>Total</b>             | <b>135.63</b>  | -              | -              | <b>135.63</b>               |

Interest income/ (expense), gain/ (losses) recognized on financial assets and liabilities.

|                                                                             | <b>As at Mar 31, 2020</b> | <b>As at Mar 31, 2019</b> |
|-----------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>(a) Financial Assets at Amortized Cost</b>                               |                           |                           |
| Interest income on bank deposits                                            | 0.73                      | 6.13                      |
| interest income on other financial asset                                    | 4.11                      | 3.17                      |
| Impairment on trade receivables                                             | -                         | -                         |
| <b>(b) Financial Asset at FVTPL</b>                                         |                           |                           |
| Dividend Income on Mutual Funds                                             | 6.22                      | 5.20                      |
| <b>Income due to Change in Fair Value</b>                                   | <b>4.22</b>               | <b>3.37</b>               |
| <b>(c) Financial Asset at FVTOCI</b>                                        |                           |                           |
| Change in fair value of equity instruments designated irrevocably as FVTOCI | (0.05)                    | (0.05)                    |
| <b>(d) Financial Liabilities at Amortized Cost</b>                          |                           |                           |
| Interest expenses on borrowings from banks, others and overdrafts           | 1.85                      | 2.61                      |
| <b>(e) Financial Liability at FVTPL</b>                                     |                           |                           |
| Net gain/(losses) on fair valuation of forward contracts                    | (0.89)                    | (0.86)                    |

#### Capital Management:

The Group's capital comprises of equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Group's capital management is to maximize shareholders value.

The Group manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Group does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2020 is ₹ 13.86 crores (Previous Year: ₹ 11.56 crores).

#### Gearing Ratio:

The Gearing Ratio of the group is 4% (PY 8%).

#### Interest Rate Risk Management:

The Group's main interest rate risk arises from Long Term Borrowings with Variable rates. The borrowings of the group amounts to ₹ 55.85 Crores as at 31<sup>st</sup> March 2020 (PY ₹ 90.48 Crores) will not have any material impact due to the changes in market interest rates.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020** (₹ in Crores)

5.3 A. The Group operates under one segment of Kitchen & Home appliances. Hence Segment reporting is not applicable.

Information about major customers:

Group's significant revenues (more than 5%) are derived from sales to one Customer. The total sales to such Customers amounted to ₹ 105.79 crores in 2019-20 and ₹ 131.57 crores in 2018-19.

No single customer contributed 10% or more to the Group's revenue for 2019-20 and 2018-19.

5.3 B. Revenue from Major products:

Refer note 5.5

5.3 C. Information about geographical area

The Group is domiciled in India/UK. The amount of its revenue from external customers broken down by location of customers is tabulated below:

| Particulars                    | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
|--------------------------------|-------------------------|-------------------------|
| Country of Domicile            | 2004.78                 | 2026.43                 |
| Other than Country of Domicile | 68.21                   | 80.48                   |
| <b>Total</b>                   | <b>2072.99</b>          | <b>2106.91</b>          |

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

| Particulars      | As at Mar 31, 2020 | As at Mar 31, 2019 |
|------------------|--------------------|--------------------|
| India/UK         | 488.20             | 426.22             |
| Outside India/UK | -                  | -                  |
| <b>Total</b>     | <b>488.20</b>      | <b>426.22</b>      |

#### 5.4 Related Party Transactions

The following tables provide details about the nature of relationship and total amount of transactions that have been entered into with related parties for the relevant financial year.

| Description of relationship                                                      | Group                                              |
|----------------------------------------------------------------------------------|----------------------------------------------------|
| Enterprises over which Key Managerial Personnel (KMP) having significant control | TTK Healthcare Limited                             |
|                                                                                  | TT Krishnamachari & Co                             |
|                                                                                  | TTK Services (P) Limited                           |
| Directors                                                                        | Mr. T.T. Jagannathan                               |
|                                                                                  | Mr. T.T. Raghunathan                               |
|                                                                                  | Mr. Chandru Kalro (KMP)                            |
|                                                                                  | Mr. K. Shankaran (KMP)                             |
|                                                                                  | Mr. R. Srinivasan                                  |
|                                                                                  | Dr.(Mrs.) Vandana Walvekar                         |
|                                                                                  | Mr.Dileep Kumar Krishnaswamy                       |
|                                                                                  | Mr. Arun.K.Thiagarajan                             |
|                                                                                  | Mr. Murali Neelakantan                             |
|                                                                                  | Mr. T.T. Mukund                                    |
|                                                                                  | Mr. Rob Jones (KMP)                                |
|                                                                                  | Mr. Sharon Benjamin (KMP)                          |
|                                                                                  | Mrs. Gal Benjamin (KMP)                            |
|                                                                                  | Mrs. Kerry Heathcote (KMP)                         |
|                                                                                  | Mr. Neil Rosati (KMP)                              |
| Other Key Managerial Personnel                                                   | Mr. V. Sundaresan                                  |
| Relatives of KMP                                                                 | Mr. T.T. Venkatesh                                 |
| Other Related Parties                                                            | TTK Prestige Limited Executive Superannuation Fund |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

## (a) Summary of the transactions with the above-related parties:

| Particulars                                            | Enterprises over which KMP having significant control |         | Key Management Personnel and relatives |         | Other related parties |         |
|--------------------------------------------------------|-------------------------------------------------------|---------|----------------------------------------|---------|-----------------------|---------|
|                                                        | 2019-20                                               | 2018-19 | 2019-20                                | 2018-19 | 2019-20               | 2018-19 |
| Sales                                                  | 0.59                                                  | 1.00    | -                                      | -       | -                     | -       |
| Purchases                                              | -                                                     | -       | -                                      | -       | -                     | -       |
| Commission and Sitting fees to Non-Executive Directors | -                                                     | -       | 7.17                                   | 1.83    | -                     | -       |
| Remuneration                                           | -                                                     | -       | 13.01                                  | 26.32   | -                     | -       |
| Professional Charges                                   | -                                                     | -       | 0.65                                   | -       | -                     | -       |
| Others: Expenses/(Income)                              | 21.70                                                 | 23.06   | 0.14                                   | 0.04    | 0.41                  | 0.22    |

## (b) Balance Outstanding

| Particulars                              | Enterprises over which KMP having significant control |         | Key Management Personnel and relatives |         | Other related parties |         |
|------------------------------------------|-------------------------------------------------------|---------|----------------------------------------|---------|-----------------------|---------|
|                                          | 2019-20                                               | 2018-19 | 2019-20                                | 2018-19 | 2019-20               | 2018-19 |
| Amount due to the Group against supplies | 0.07                                                  | 0.01    | -                                      | -       | -                     | -       |
| Amount Owed by Group against Purchases   | -                                                     | -       | -                                      | -       | -                     | -       |
| Other Current Liabilities                | 0.68                                                  | 1.67    | 11.00                                  | 20.55   | 0.41                  | 0.22    |

## (c) \*Related Parties with whom Transactions have taken place during the year

| Entity                    | Nature of Business                 | 2019-20  |        | 2018-19  |        |
|---------------------------|------------------------------------|----------|--------|----------|--------|
|                           |                                    | Expenses | Income | Expenses | Income |
| TTK Healthcare Ltd        | Sales                              | -        | 0.59   | -        | 1.00   |
|                           | Purchases                          | -        | -      | -        | -      |
|                           | Travel                             | 0.04     | -      | -        | -      |
|                           | SAP Support Charges                | 0.15     | -      | -        | -      |
| T.T.Krishnamachari & Co., | Travel Expenses (Guest House Stay) | 0.03     | -      | 0.04     | -      |
|                           | Rent Paid                          | 0.03     | -      | 0.02     | -      |
|                           | C & F Charges                      | 12.86    | -      | 13.57    | -      |
|                           | Licence Fee on Logo                | 8.59     | -      | 9.42     | -      |
| Mr. T.T. Jagannathan      | Remuneration                       | 0.60     | -      | 13.40    | -      |
|                           | Commission & Sitting Fees          | 5.38     | -      | -        | -      |
|                           | Travel Expenses                    | 0.10     | -      | -        | -      |
| Mr. T.T. Raghunathan      | Commission & Sitting Fees          | 0.21     | -      | 0.23     | -      |
| Mr. Chandru Kalro         | Remuneration                       | 3.47     | -      | 3.89     | -      |
| Mr. K. Shankaran          | Remuneration                       | 3.07     | -      | 3.90     | -      |
| Mr. V. Sundaresan         | Remuneration                       | 1.13     | -      | 1.06     | -      |
| Mr. Sharon Benjamin       | Remuneration                       | 0.49     | -      | -        | -      |
| Mrs. Gal Benjamin         | Remuneration                       | 0.49     | -      | -        | -      |
| Mrs. Kerry Heathcote      | Remuneration                       | 1.28     | -      | -        | -      |

| Entity                                             | Nature of Business        | 2019-20  |        | 2018-19  |        |
|----------------------------------------------------|---------------------------|----------|--------|----------|--------|
|                                                    |                           | Expenses | Income | Expenses | Income |
| Mr. Rob Jones                                      | Remuneration              | 1.42     | -      | 1.27     | -      |
| Mr. N. Rosati                                      | Remuneration              | 1.45     | -      | 1.37     | -      |
| Mr. R. Srinivasan                                  | Commission & Sitting Fee  | 0.24     | -      | 0.29     | -      |
| Mr. Murali Neelakantan                             | Professional Charges      | 0.05     | -      | 0.00     | -      |
|                                                    | Commission & Sitting Fees | 0.22     | -      | 0.26     | -      |
|                                                    | Travel Expenses           | 0.02     | -      | 0.04     | -      |
| Mr. T.T. Mukund                                    | Commission & Sitting Fees | 0.22     | -      | 0.24     | -      |
| Mr. Arun.K.Thiagarajan                             | Commission & Sitting Fees | 0.24     | -      | 0.28     | -      |
| Mr. Dileep Kumar Krishnaswamy                      | Commission & Sitting Fees | 0.24     | -      | 0.27     | -      |
| Mr. Dhruv Sriratan Moondhra                        | Commission & Sitting Fees | 0.22     | -      | -        | -      |
|                                                    | Travel Expenses           | 0.01     | -      | -        | -      |
| Dr.(Mrs.)Vandana Walvekar                          | Commission & Sitting Fees | 0.22     | -      | 0.25     | -      |
|                                                    | Travel Expenses           | 0.01     | -      | 0.01     | -      |
| Mr. T.T. Venkatesh                                 | Remuneration              | 0.20     | -      | -        | -      |
| TTK Prestige Limited Executive Superannuation Fund | Contribution              | 0.41     | -      | 0.22     | -      |

**(d) Closing Balance of Related Parties**

|                                                    | As on 31st March 2020 |             | As on 31st March 2019 |             |
|----------------------------------------------------|-----------------------|-------------|-----------------------|-------------|
|                                                    | Payables              | Receivables | Payables              | Receivables |
| T.T. Krishnamachari & Co.                          | 0.52                  | -           | 1.67                  | -           |
| TTK Healthcare Ltd                                 | 0.16                  | 0.07        | -                     | 0.01        |
| Mr. T.T. Jagannathan                               | 5.34                  | -           | 12.18                 | -           |
| Mr. T.T. Raghunathan                               | 0.19                  | -           | 0.22                  | -           |
| Mr. Chandru Kalro                                  | 2.14                  | -           | 3.35                  | -           |
| Mr. K. Shankaran                                   | 2.00                  | -           | 3.48                  | -           |
| Mr. R. Srinivasan                                  | 0.19                  | -           | 0.22                  | -           |
| Mr. T.T. Mukund                                    | 0.19                  | -           | 0.22                  | -           |
| Mr. Murali Neelakantan                             | 0.19                  | -           | 0.22                  | -           |
| Dr.(Mrs.) Vandana Walvekar                         | 0.19                  | -           | 0.22                  | -           |
| Mr. Dileep Kumar Krishnaswamy                      | 0.19                  | -           | 0.22                  | -           |
| Mr. Dhruv Sriratan Moondhra                        | 0.19                  | -           | -                     | -           |
| Mr. Arun.K. Thiagarajan                            | 0.19                  | -           | 0.22                  | -           |
| TTK Prestige Limited Executive Superannuation Fund | 0.41                  | -           | 0.22                  | -           |

Note: All amounts mentioned above are excluding GST.

- Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for guarantees given on behalf of the subsidiaries details of which is provided in Note no.5.7 below. For the year ended 31 March 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

- Compensation of key management personnel of the Group

| Description                                                | 31-Mar-20    | 31-Mar-19    |
|------------------------------------------------------------|--------------|--------------|
| Short-term employee benefits                               | 12.73        | 26.24        |
| Post-employment gratuity and medical benefits              | 0.08         | 0.08         |
| <b>Total compensation paid to Key Management Personnel</b> | <b>12.81</b> | <b>26.32</b> |

| Name of the entity in the group                      | Net Assets, i.e., total assets minus total liabilities |            | Share in profit and loss             |            | Share in other Comprehensive income             |            | Share in total Comprehensive income |            |
|------------------------------------------------------|--------------------------------------------------------|------------|--------------------------------------|------------|-------------------------------------------------|------------|-------------------------------------|------------|
|                                                      | As % of consolidated net assets                        | INR Crores | As % of consolidated profit and loss | INR Crores | As % of consolidated other comprehensive income | INR Crores | As % of total comprehensive income  | INR Crores |
| <b>Parent</b>                                        |                                                        |            |                                      |            |                                                 |            |                                     |            |
| 1 TTK PRESTIGE LIMITED                               |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         | 99.38%                                                 | 1300.54    | 107.58%                              | 198.51     | 38.82%                                          | (1.51)     | 104.55%                             | 197.00     |
| Balance as at 31 March, 2019                         | 98.92%                                                 | 1153.69    | 98.94%                               | 190.32     | 12.88%                                          | (0.51)     | 100.75%                             | 189.81     |
| <b>Subsidiaries</b>                                  |                                                        |            |                                      |            |                                                 |            |                                     |            |
| <b>Foreign</b>                                       |                                                        |            |                                      |            |                                                 |            |                                     |            |
| 1 TTK BRITISH HOLDINGS LIMITED                       |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         | (7.57%)                                                | (99.05)    | (7.73%)                              | (14.27)    | 56.56%                                          | 2.20       | (6.41%)                             | (12.07)    |
| Balance as at 31 March, 2019                         | (7.69%)                                                | (89.73)    | (1.89%)                              | (3.64)     | 35.61%                                          | (1.41)     | (2.68%)                             | (5.05)     |
| 2 HORWOOD LIFE LIMITED                               |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         | 0.17%                                                  | 2.18       | (0.92%)                              | (1.70)     | 11.55%                                          | 0.45       | (0.66%)                             | (1.25)     |
| Balance as at 31 March, 2019                         | -                                                      | -          | -                                    | -          | -                                               | -          | -                                   | -          |
| 3 HORWOOD HOME-WARES LIMITED                         |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         | 7.84%                                                  | 102.58     | 1.64%                                | 3.03       | 79.20%                                          | 3.08       | 3.24%                               | 6.11       |
| Balance as at 31 March, 2019                         | 8.77%                                                  | 102.33     | 2.95%                                | 5.67       | 51.52%                                          | (2.04)     | 1.93%                               | 3.63       |
| <b>Non-controlling interests in all subsidiaries</b> |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         | 0.18%                                                  | 2.41       | 0.56%                                | (1.03)     | 8.48%                                           | (0.33)     | 0.72%                               | (1.36)     |
| Balance as at 31 March, 2019                         | -                                                      | -          | -                                    | -          | -                                               | -          | -                                   | -          |
| <b>Total</b>                                         |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2020                         |                                                        | 1308.67    |                                      | 184.54     |                                                 | 3.89       |                                     | 188.43     |
| <b>Total</b>                                         |                                                        |            |                                      |            |                                                 |            |                                     |            |
| Balance as at 31 March, 2019                         |                                                        | 1166.29    |                                      | 192.35     |                                                 | (3.96)     |                                     | 188.39     |

## 5.5 Disclosures on Adoption of Ind AS 115:

The Group has adopted Ind AS 115 – 'Revenue from contracts with customers' in 2018-19. The adoption of this standard did not result in material change on the income statement and balance sheet of the Group as they did not result in any changes to the group's existing accounting policy except scheme expense incurred, incentives given to customers, reimbursement of taxes to customer and promotional coupon which have been reclassified from 'sales promotion expenses' within other expenses under Previous GAAP and netted off from revenue directly under Ind AS 115.

**i) Disaggregation of Revenue:**

| Particulars             | 2019-20        | 2018-19        |
|-------------------------|----------------|----------------|
| Pressure Cookers        | 596.19         | 645.72         |
| Cookware                | 414.90         | 431.64         |
| Gas Stove               | 261.47         | 271.70         |
| Mixer Grinder           | 233.10         | 224.98         |
| Kitchen/Home Appliances | 459.57         | 434.24         |
| Cleaning Products       | 34.00          | 27.79          |
| Others                  | 73.76          | 70.86          |
| <b>Total</b>            | <b>2072.99</b> | <b>2106.91</b> |

**Note:**

Disaggregation of Revenue into Within Country and Outside Country is provided under Note No 5.3 C.

**ii) Contract liabilities such as advance from customers and liability for schemes and discounts are given below:**

| Contract Liabilities              | Amount as on 01.04.2019 | Amount as on 31.03.2020 | Note Reference         |
|-----------------------------------|-------------------------|-------------------------|------------------------|
| Advance from customers            | 18.94                   | 23.18                   | Refer Schedule No 3.19 |
| Accrual for Schemes and Discounts | 48.32                   | 56.02                   | Refer Schedule No 3.18 |

**ii) Reconciliation of revenue recognized with the contracted price and the adjustments:**

| Particulars                 | (Year Ended March 20) | (Year Ended March 19) |
|-----------------------------|-----------------------|-----------------------|
| Transaction price           | 2349.70               | 2335.63               |
| Less: Sales Returns         | 127.76                | 90.53                 |
| Less: Schemes and Discounts | 148.95                | 138.19                |
| <b>Net revenue</b>          | <b>2072.99</b>        | <b>2106.91</b>        |

**5.6 Disclosures on Adoption of Ind AS 116:**
**Transition**

On transition, the Group recognized lease liability and right of use asset on the initial application date at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate as at April 1, 2019. Accordingly, the comparative information in these Group's Financial Statements has been not been restated. The impact of the new standard in Group's Financial Statement is summarized and set out below

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹30.16 Crores, and a lease liability of ₹28.09 Crores. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.15%.

Following are the changes in the carrying value of liabilities for the year ended March 31, 2020, (for the changes in right of use assets please refer note 3.1B):

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

| Particulars                            | Total  |
|----------------------------------------|--------|
| Balance as on 1st April 2019           | 28.09  |
| Additions                              | 6.63   |
| Finance cost accrued during the period | 2.19   |
| Translation Difference                 | (0.57) |
| Payment of lease liabilities           | (7.48) |
| Balance as on 31st March 2020          | 30.00  |

The following amounts were recognised as expense in the year

|                                                           | Year ended<br>31st Mar 2020 |
|-----------------------------------------------------------|-----------------------------|
| Depreciation of right-to-use assets                       | 6.08                        |
| Expense relating to variable lease payments               | 12.86                       |
| Expense relating to short-term leases                     | 12.22                       |
| Interest on lease liabilities                             | 2.19                        |
| <b>Total recognised in Statement of Profit &amp; Loss</b> | <b>33.35</b>                |

Future minimum lease payments payable on lease obligation under Ind AS 116.

| Particulars         | Amount |
|---------------------|--------|
| Within one year     | 6.06   |
| Between 1 – 5 Years | 25.09  |
| Over 5 years        | 1.76   |

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

### 5.7 Earnings per Share:

| Particulars                                                                      | Year ended<br>Mar 31, 2020 | Year ended<br>Mar 31, 2019 |
|----------------------------------------------------------------------------------|----------------------------|----------------------------|
| Profit after tax as per Profit & Loss a/c                                        | 184.54                     | 192.35                     |
| Weighted Average number of Equity Shares used as Denominator for calculating EPS | 1,38,61,402                | 1,38,61,402                |
| Earnings Per Share of ₹ 10/- each :                                              |                            |                            |
| Basic EPS (₹)                                                                    | 133.13                     | 138.76                     |
| Diluted EPS (₹)                                                                  | 133.13                     | 138.76                     |

Reconciliation of equity shares in computing weighted average number of equity shares

|                                                                                     | Year ended<br>Mar 31, 2020 | Year ended<br>Mar 31, 2019 |
|-------------------------------------------------------------------------------------|----------------------------|----------------------------|
| a) Weighted average number of shares – Basic                                        |                            |                            |
| Issued fully paid up as at Apr 1,                                                   | 1,38,61,402                | 11,551,169                 |
| Effect of Issue of Bonus shares                                                     |                            | 23,10,233                  |
| Effect of shares issued / (buy back) during the year                                | -                          | -                          |
| Weighted average number of equity shares outstanding                                | 1,38,61,402                | 1,38,61,402                |
| b) Weighted average number of shares – diluted                                      |                            |                            |
| Issued fully paid up as at Apr 1,                                                   | 1,38,61,402                | 11,551,169                 |
| Effect of shares issued during the year(Buy back)                                   | -                          | -                          |
| Effect of Issue of Bonus shares                                                     | -                          | 23,10,233                  |
| Weighted average number of equity shares for diluted earnings per share outstanding | 1,38,61,402                | 1,38,61,402                |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020** (₹ in Crores)

**5.8 Legal proceedings/Contingent Liabilities/Contingent Assets**

| Particulars                                                                                    | As at 31 <sup>st</sup> March 2020 | As at 31 <sup>st</sup> March 2019 |
|------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| A) Contingent Liabilities                                                                      |                                   |                                   |
| (a) Guarantees /LC*                                                                            | 1.45                              | 1.57                              |
| (b) Tax matters under appeal (IT/ST/ED etc.)                                                   | 12.28                             | 12.49                             |
| B) Commitments                                                                                 | -                                 | -                                 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 25.97                             | 64.17                             |

**5.9 Employee Benefits**

|                                                                                                                         | Gratuity                |                         | Compensated Absences    |                         |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                                                                                         | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 | Year ended Mar 31, 2020 | Year ended Mar 31, 2019 |
| <i>Reconciliation of opening and closing balances at the present value of the defined benefit obligation (gratuity)</i> |                         |                         |                         |                         |
| Projected benefit obligation at the beginning of the year                                                               | 18.91                   | 16.92                   | 9.41                    | 8.66                    |
| Service cost                                                                                                            | 1.37                    | 1.18                    | 0.42                    | 0.55                    |
| Interest cost                                                                                                           | 1.46                    | 1.32                    | 0.73                    | 0.68                    |
| Remeasurement gain/(loss)                                                                                               |                         |                         |                         |                         |
| Change in Demographic Assumptions                                                                                       | (0.04)                  | 0.00                    | (0.01)                  | 0.00                    |
| Change in Financial Assumptions                                                                                         | (0.33)                  | 0.13                    | (0.22)                  | 0.05                    |
| Experience Variance                                                                                                     | 2.24                    | 0.50                    | 1.19                    | 0.28                    |
| Past Service Costs                                                                                                      | 0.00                    | 0.00                    | 0.00                    | 0.00                    |
| Benefits paid                                                                                                           | (2.45)                  | (1.14)                  | (1.80)                  | (0.81)                  |
| Projected benefit obligation at the end of the year                                                                     | 21.17                   | 18.91                   | 9.71                    | 9.41                    |
| <i>Change in fair value of plan assets</i>                                                                              |                         |                         |                         |                         |
| Fair value of plan assets at the beginning of the year                                                                  | 16.98                   | 16.40                   | 8.35                    | 3.82                    |
| Investment income                                                                                                       | 1.31                    | 1.28                    | 0.64                    | 0.30                    |
| Employers contribution                                                                                                  | 2.05                    | 0.56                    | 1.50                    | 4.84                    |
| Benefits paid                                                                                                           | (2.45)                  | (1.14)                  | (1.80)                  | (0.81)                  |
| Return on plan assets, excluding amounts recognized in net interest expense                                             | (0.09)                  | (0.11)                  | (0.08)                  | 0.20                    |
| Fair value of plan assets at the end of the year                                                                        | 17.81                   | 16.98                   | 8.62                    | 8.35                    |
| <i>Amount recognized in balance sheet</i>                                                                               |                         |                         |                         |                         |
| Present value of projected benefit obligation at the end of the year                                                    | 21.17                   | 18.91                   | 9.71                    | 9.41                    |
| Fair value of plan assets at the end of year                                                                            | 17.81                   | 16.98                   | 8.62                    | 8.35                    |
| Funded status amount of liability recognized in balance sheet                                                           | 3.36                    | 1.93                    | 1.09                    | 1.05                    |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

|                                                          |        |       |        |        |
|----------------------------------------------------------|--------|-------|--------|--------|
| <i>Expense recognized in statement of profit or loss</i> |        |       |        |        |
| Current Service cost                                     | 1.37   | 1.18  | 0.42   | 0.55   |
| Past Service Cost                                        | 0.00   | 0.00  | 0.00   | 0.00   |
| Interest cost                                            | 0.15   | 0.04  | 0.08   | 0.38   |
| Interest income                                          | 0.00   | 0.00  | 0.00   | 0.00   |
| Change in Financial Assumptions                          | (0.33) | 0.13  | (0.22) | 0.05   |
| Change in Demographic assumptions                        | (0.04) | 0.00  | (0.01) | -      |
| Experience Variance                                      | 2.25   | 0.50  | 1.19   | 0.28   |
| Return on Plan Assets                                    | 0.09   | 0.11  | 0.08   | (0.20) |
| Net gratuity cost                                        | 3.49   | 1.96  | 1.53   | 1.05   |
| Actual return on plan asset                              |        |       |        |        |
| <i>Summary of actuarial assumptions</i>                  |        |       |        |        |
| Discount rate                                            | 6.80%  | 7.70% | 6.80%  | 7.70%  |
| Expected rate of plan assets                             |        |       |        |        |
| Salary escalation rate                                   | 5.00%  | 6.00% | 5.00%  | 6.00%  |
| Average future working life time                         |        |       |        |        |

Discount rate - based on prevailing market yields of Indian government securities as at the balance sheet date for estimated term of obligations.

Expected rate of return on plan assets - expectation of the average long-term rate of return expected on investment of the funds during the estimated terms of the obligations.

Salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors.

#### Contributions:

The Group's expected cash flows over the next few years are as follows:

| Year               | Gratuity | Compensated Absences |
|--------------------|----------|----------------------|
| 1 year             | 3.46     | 2.69                 |
| 2 to 5 years       | 8.90     | 3.93                 |
| 6 to 10 years      | 7.24     | 2.67                 |
| More than 10 years | 19.86    | 7.72                 |

Gratuity plan's weighted average asset allocation at Mar 31 2020 and 2019 by asset category are as follows

|                          |      |      |
|--------------------------|------|------|
| Fund managed by insurers | 100% | 100% |
|--------------------------|------|------|

#### Remeasurement of the net defined benefit liability recognized in other comprehensive income

|                                                                                   |        |        |
|-----------------------------------------------------------------------------------|--------|--------|
| Remeasurement gain/(loss) arising from                                            |        |        |
| Change in demographic assumption                                                  | (0.04) | (0.01) |
| Change in financial assumptions                                                   | (0.33) | (0.22) |
| Experience variance                                                               | 2.25   | 1.19   |
| Return on plan assets, excluding amount recognized in net interest expense/income | 0.09   | 0.08   |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020** (₹ in Crores)

**Sensitivity analysis of significant actuarial assumption**

|                             | Gratuity  |          |           |          | Compensated Absences |          |           |          |
|-----------------------------|-----------|----------|-----------|----------|----------------------|----------|-----------|----------|
|                             | 31-Mar-20 |          | 31-Mar-19 |          | 31-Mar-20            |          | 31-Mar-19 |          |
|                             | increase  | decrease | increase  | decrease | Increase             | decrease | increase  | decrease |
| Discount rate (-/+ 1%)      | 19.73     | 22.83    | 17.63     | 20.38    | 9.14                 | 10.37    | 8.91      | 9.99     |
| Salary growth rate (+/- 1%) | 22.84     | 19.69    | 20.39     | 17.60    | 10.37                | 9.13     | 9.99      | 8.90     |

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

|                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment risk | The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India. |
| Interest risk   | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.                                                                                                                                                                                                                                                                                     |
| Longevity risk  | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.                                                                                                                                                                     |
| Salary risk     | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.                                                                                                                                                                                                                           |

**5.10 Reconciliation of Effective Tax Rates**

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarized below:

| Particulars                                                           | Year ended<br>31 <sup>st</sup> March 2020 | Year ended<br>31 <sup>st</sup> March 2019 |
|-----------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Profit before taxes (Before Property Income)                          | 234.40                                    | 286.30                                    |
| Enacted tax rates in India                                            | 25.168%                                   | 34.94%                                    |
| Expected tax expense/(benefit)                                        | 58.99                                     | 100.04                                    |
| <b>Effect of</b>                                                      |                                           |                                           |
| Tax Holiday benefit under Sec 80 (IC) for Roorkee Unit                | 0.00                                      | (3.48)                                    |
| Tax Benefit on research and development expenses                      | 0.00                                      | (0.73)                                    |
| Exempt income from mutual fund investments                            | (1.55)                                    | (2.94)                                    |
| CSR expenses (To the extent of amount disallowed)                     | 0.61                                      | 0.76                                      |
| Provision for EPCG Liability                                          | 0.28                                      | 0.25                                      |
| Effects of lower tax rates in Foreign Jurisdiction.                   | 0.70                                      | (0.41)                                    |
| Other Adjustments on account of exchange fluctuations.                | 0.00                                      | 0.00                                      |
| Tax Benefit on employment of Additional manpower under Sec 80 JJAA    | 0.00                                      | (0.04)                                    |
| Reversal of provision pertaining to previous year/s                   | (0.13)                                    | 0.55                                      |
| Additional DTL Provision due to change in tax rates                   | (12.22)                                   | 0.00                                      |
| Tax on Capital Gains                                                  | 0.00                                      | 0.00                                      |
| Other items not adjustable to tax                                     | 3.18                                      | (0.05)                                    |
| Income Tax expense charged to P&L for the year                        | <b>49.86</b>                              | <b>93.95</b>                              |
| Income Tax expense charged to Other Comprehensive Income for the year | (0.51)                                    | (0.28)                                    |
| Total Income Tax expense for the year                                 | <b>49.35</b>                              | <b>93.67</b>                              |
| Comprising:                                                           |                                           |                                           |
| Current Tax                                                           | 60.79                                     | 90.94                                     |
| Deferred Tax                                                          | (11.44)                                   | 2.73                                      |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 (₹ in Crores)

**5.11 Trade Payables-Micro and Small Enterprises:**

Based on data received from Vendors and information available with us, the amount due to MSMED is ascertained as ₹ 31.72 Crores (PY: ₹ 19.44 Crores). There were no over dues at any point in time and hence no interest is paid/payable.

**5.12** The group has considered the possible effects that may result from COVID 19 on the carrying amount of Goodwill and has tested the Goodwill for Impairment as on 31st March 2020(as required to be done annually as per IndAS- 36).It assessed the recoverable amount of the relevant cash generating unit to which the Goodwill relates as the higher of Fair value less cost of disposal and the value in use. This has resulted in an impairment charge of INR.11.69 crores in respect of Goodwill being recognized as an exceptional charge. The company continues to assess and take steps as appropriate to enhance profitability and address the potential impact of COVID epidemic on the business.

The said assessment includes significant assumptions such as discount rate, likely impact of COVID-19 on the said operations and its impact on the margins.

The Calculations use cash flow projections based on financial budgets approved by the management covering a five-year period.

| Description                              | Assumptions |
|------------------------------------------|-------------|
| Fixed cost inflation                     | 3.00%       |
| Employee cost inflation                  | 2.00%       |
| Pre Tax weighted average cost of capital | 11.90%      |
| Terminal period growth rate              | 4.83%       |
| Budgeted gross margin                    | 38.00%      |

**Approach for the assumptions considered above**

- Cost inflation/budgeted margin:
  - o Based on past performance & management's expectations for the future
  - o Fixed cost of CGUs, which do not vary significantly with sales volume or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increase but not reflecting any future restructurings or cost saving measures
- Pre-tax discount rate reflects specific risks relating to the relevant CGU and the place of business in which they operate
- Long term growth rate is the weighted average growth rate used to extrapolate the cash flows beyond the budget period.

**5.13** Certain figures apparently may not add up because of rounding off, but are wholly accurate in themselves.

**5.14** Directors of holding company pleased to recommend a dividend of ₹ 20/- per share (Previous year- ₹ 30/- per share) which entails an out lay of ₹ 27.72 Crores (PY ₹ 41.58 Crores) by way of Dividend and ₹ NIL (PY ₹ 8.55 Crores) by way of Dividend Distribution Tax.

**5.15 Impact of COVID-19**

The Group does not foresee any large-scale contraction in demand in the long run (though there would be short term impact), which could result in significant downsizing of its employee base rendering the physical infrastructure redundant. The leases that the Group has entered with lessors towards properties used as sales offices are long term in nature and no changes in terms of those leases are expected due to the COVID-19. The Group has been affected by the impact of Covid-19, with a drop in sales inevitably resulting from the global downturn in sales of non-grocery related products.

The directors have taken appropriate action in order to ensure the safety of all employees and to mitigate the impact on the Group. This has included closing the office temporarily. The ongoing impact of the current situation is as yet unknown, therefore the operating budget for the coming financial year has been rewritten based on information currently available, and cash flow is being closely monitored to ensure that the Group is able to pay both staff and supplier obligations as they become due.

The impact on future revenue streams could come from

- a. prolonged lock-down situation resulting in its inability to deploy resources at different locations due to restrictions in mobility
- b. customers postponing their discretionary spend due to change in priorities

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The Group has assessed that customers in large format stores are more prone to immediate impact due to disruption in supply chain, shutdown of malls and drop in demand. The Group has considered the impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group has also assessed the impact of any delays and inability to meet contractual commitments. However the Group is constantly exploring new opportunities arising out of this adversity like focusing on sales through e-commerce.

### Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of property, plant & equipment, intangible assets receivables, investments, the Group has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The Group expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions

### Other risk - Impact of COVID-19

Financial assets carried at fair value as at March 31, 2020 is ₹ 294.70 crore and financial assets are carried at amortised cost as at March 31, 2020 is ₹ 322.66 crore. A significant part of the financial assets are classified as Level 1 having fair value of ₹ 294.70 crore as at March 31, 2020. The fair value of these assets is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Group are mainly investments in Mutual Funds, liquid debt securities and accordingly, any material volatility is not expected. Financial assets of ₹ 57.57 crore as at March 31, 2020 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Group has assessed the counterparty credit risk. Trade receivables of ₹ 278.10 crore as at March 31, 2020 forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.

This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers in respect of whom amounts are receivable.

The Group closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables of ₹ 16.47 crores as at March 31, 2020 is considered adequate.

**5.16** The financial statements were approved by the Board of Directors and authorized for issue on 25th June 2020.

*As per our audit report of even date attached*

**For PKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration Number : 003990S/S200018*

**For and on behalf of the Board**

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

**K.Shankaran**  
Wholtime Director & Secretary  
DIN No.: 00043205

**Place : Bengaluru**  
**Date : 25<sup>th</sup> June 2020**

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

(₹ in Crores)

(Except for Exchange Rate)

| S.No                                                        | 1                                    | 2                              | 3                         |
|-------------------------------------------------------------|--------------------------------------|--------------------------------|---------------------------|
| Name of the Subsidiary Company                              | TTK BRITISH HOLDINGS LIMITED (TTKBH) | HORWOOD HOMEWARES LIMITED (HH) | HORWOOD LIFE LIMITED (HL) |
| The date since the subsidiary was acquired                  | 24.03.2016                           | 11.04.2016                     | 30.08.2019                |
| Financial Year ending on                                    | 31-Mar-20                            | 31-Mar-20                      | 31-Mar-20                 |
| Reporting Currency                                          | BRITISH POUNDS                       | BRITISH POUNDS                 | BRITISH POUNDS            |
| Exchange Rate on the last day of the financial year 1GBP=Rs | 93.08                                | 93.08                          | 93.08                     |
| Share Capital                                               | 174.05                               | 9.57                           | 0.01                      |
| Reserves and Surplus                                        | 31.45                                | 108.91                         | 4.26                      |
| Total Assets                                                | 262.67                               | 145.36                         | 5.62                      |
| Total Liabilities (Excluding Share capital and Reserves)    | 57.17                                | 26.88                          | 1.35                      |
| Investments (Excluding investments made in subsidiaries)    | -                                    | -                              | -                         |
| Turnover                                                    | -                                    | 135.49                         | 3.43                      |
| Profit/(Loss) before tax                                    | (2.59)                               | 3.69                           | (2.73)                    |
| Provision for tax                                           | -                                    | 0.15                           | -                         |
| Profit/(Loss) after tax                                     | (2.59)                               | 3.54                           | (2.73)                    |
| Proposed Dividend                                           | -                                    | -                              | -                         |
| % of Shareholding                                           | 100%                                 | 100% held by TTKBH             | 51% held by HH            |

## Notes:

- Names of Subsidiaries which are yet to commence operations:- Not Applicable.
- Names of Subsidiaries which have been liquidated or sold during the year: NIL
- The above information is based on unaudited results of the Subsidiaries.

## Part "B": Associates and Joint Ventures

Part B is not applicable as the Company does not have any Associates or Joint Ventures.

*For and on behalf of the Board*

**T.T. Jagannathan**  
Chairman  
DIN No.: 00191522

**Dileep Kumar Krishnaswamy**  
Director  
DIN No.: 00176595

Place : Bengaluru  
Date : 25<sup>th</sup> June 2020

**Chandru Kalro**  
Managing Director  
DIN No.: 03474813

**K.Shankaran**  
Wholtime Director & Secretary  
DIN No.: 00043205

**V. Sundaresan**  
Chief Financial Officer  
PAN No.: AKEPS1782M

**HISTORICAL DATA-Standalone**

(₹ in Crores)

Prepared as per conventional method to facilitate comparison.

|    |                                                                  | 2019-20        | 2018-19        | 2017-18        | 2016-17        | 2015-2016      | 2014-2015      | 2013-2014      | 2012-2013      | 2011-2012      | 2010-2011     |
|----|------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
|    | <b>PERFORMANCE</b>                                               |                |                |                |                |                |                |                |                |                |               |
| 1  | Gross Sales                                                      | 2085.74        | 2106.21        | 1848.71        | 1683.06        | 1558.82        | 1421.42        | 1323.37        | 1385.89        | 1122.71        | 775.58        |
|    | Discount on Sales                                                | 148.95         | 138.19         | 102.26         | 79.42          | 70.89          | 77.18          | 71.85          | 75.25          | 60.96          | 42.11         |
|    | <b>Net sales</b>                                                 | <b>1936.79</b> | <b>1968.02</b> | <b>1746.45</b> | <b>1603.64</b> | <b>1487.93</b> | <b>1344.24</b> | <b>1251.52</b> | <b>1310.64</b> | <b>1061.75</b> | <b>733.47</b> |
|    | Other Income                                                     | 24.61          | 25.60          | 13.71          | 6.74           | 10.37          | 5.10           | 7.88           | 4.73           | 4.48           | 4.27          |
|    | <b>Total Income</b>                                              | <b>1961.4</b>  | <b>1993.62</b> | <b>1760.16</b> | <b>1610.38</b> | <b>1498.3</b>  | <b>1349.34</b> | <b>1259.40</b> | <b>1315.37</b> | <b>1066.23</b> | <b>737.74</b> |
| 2  | Profit before Interest, Depreciation, Extra ordinary items & tax | 285.54         | 311.48         | 248.54         | 201.65         | 192.07         | 154.34         | 168.10         | 208.46         | 175.92         | 125.95        |
| 3  | Interest                                                         | 2.71           | 1.91           | 1.74           | 5.13           | 1.84           | 4.47           | 8.54           | 14.26          | 6.41           | 0.75          |
| 4  | Depreciation                                                     | 34.62          | 26             | 25.14          | 25.30          | 20.92          | 19.01          | 14.77          | 8.99           | 6.25           | 4.26          |
| 5  | Profit / (Loss) before extra ordinary items                      | 248.21         | 283.57         | 221.66         | 171.22         | 169.31         | 130.86         | 144.79         | 185.21         | 163.26         | 120.94        |
| 6  | Extra - ordinary / Exceptional Items                             | -              | -              | 128.96         | 1.77           | (3.74)         | 2.44           | 6.96           | -              | -              | (0.59)        |
| 7  | Profit before tax                                                | 248.21         | 283.57         | 350.62         | 172.99         | 165.57         | 133.30         | 151.75         | 185.20         | 163.26         | 120.35        |
| 8  | Taxation Provision                                               | 49.70          | 93.26          | 93.75          | 29.99          | 50.75          | 40.98          | 39.96          | 52.11          | 49.88          | 36.60         |
| 9  | Profit After tax                                                 | 198.51         | 190.31         | 256.87         | 143.00         | 114.82         | 92.32          | 111.79         | 133.09         | 113.38         | 83.75         |
| 10 | Other Comprehensive Income                                       | (1.51)         | (0.51)         | 0.24           | (0.43)         | -              | -              | -              | -              | -              | -             |
| 11 | Total Comprehensive Income for the period                        | 197.00         | 189.80         | 257.11         | 142.57         | -              | -              | -              | -              | -              | -             |
| 12 | Dividend proposed / provision                                    | 27.72          | 41.58          | 34.66          | 31.34          | 31.43          | 25.61          | 23.28          | 19.85          | 16.98          | 14.15         |
| 13 | Dividend Tax                                                     | -              | 8.55           | 7.12           | 6.38           | 6.40           | 5.22           | 3.96           | 3.37           | 2.75           | 2.30          |
| 14 | Dividend Declared %                                              | 200.00         | 300.00         | 300.00         | 270.00         | 270.00         | 220.00         | 200.00         | 175.00         | 150.00         | 125.00        |
|    | <b>Sources &amp; Application of Funds</b>                        |                |                |                |                |                |                |                |                |                |               |
|    | <b>Sources</b>                                                   |                |                |                |                |                |                |                |                |                |               |
| 1  | Share Capital                                                    | 13.86          | 11.56          | 11.56          | 11.66          | 11.65          | 11.65          | 11.65          | 11.35          | 11.33          | 11.33         |
| 2  | Reserves & surplus                                               | 1286.68        | 1142.11        | 994.09         | 845.44         | 711.30         | 634.31         | 573.66         | 384.11         | 273.94         | 180.15        |
| 3  | Loan Funds                                                       | -              | -              | -              | -              | -              | -              | 26.90          | 115.11         | 79.41          | 2.25          |
|    | <b>Total</b>                                                     | <b>1300.54</b> | <b>1153.67</b> | <b>1005.65</b> | <b>857.10</b>  | <b>722.95</b>  | <b>645.96</b>  | <b>612.21</b>  | <b>510.57</b>  | <b>364.68</b>  | <b>193.73</b> |
|    | <b>Application</b>                                               |                |                |                |                |                |                |                |                |                |               |
| 4  | Fixed Assets WDV incl assets kept for disposal                   | 433.64         | 392.48         | 362.55         | 395.84         | 359.13         | 362.92         | 363.92         | 321.02         | 237.61         | 91.43         |
| 5  | Investments                                                      | 173.58         | 155.45         | 110.01         | 97.11          | 0.02           | 0.02           | 0.02           | 0.02           | 0.02           | 22.58         |
| 6  | Net Current Assets                                               | 725.6          | 649.43         | 574.07         | 402.16         | 392.95         | 309.01         | 268.80         | 199.65         | 133.86         | 82.98         |
| 7  | Miscellaneous Expenses                                           | -              | -              | -              | -              | -              | -              | -              | -              | -              | -             |
| 8  | Deferred Tax Asset (Liability)                                   | (32.28)        | (43.69)        | (40.98)        | (38.01)        | (29.15)        | (25.99)        | (20.53)        | (10.12)        | (6.81)         | (3.26)        |
|    | <b>Total</b>                                                     | <b>1300.54</b> | <b>1153.67</b> | <b>1005.65</b> | <b>857.10</b>  | <b>722.95</b>  | <b>645.96</b>  | <b>612.21</b>  | <b>510.57</b>  | <b>364.68</b>  | <b>193.73</b> |

## FORMAT FOR FURNISHING THE PAN AND BANK DETAILS

To  
KFin Technologies Private Limited  
Selenium, Tower B, Plot 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad - 500 032

Dear Sir,

**Unit: TTK PRESTIGE LIMITED**

I/ We furnish below my/our folio details along with PAN and/or Bank account details for updation and confirmation of same in the records. I/we are enclosing the self-attested copies of PAN card(s) of all the holders, original cancelled cheque leaf showing the name of the account holder / original cancelled cheque along with self attested copy of the pass book first page or Bank account statement duly attested by the Bank, showing name of the account holder and address proof viz., self attested copy of Aadhaar cards of all the holders, as required for updation of the details:

|                                                                            |  |
|----------------------------------------------------------------------------|--|
| <b>Folio No.</b>                                                           |  |
| <b>Address of the first named shareholder as per the share certificate</b> |  |
| <b>Mobile No.</b>                                                          |  |
| <b>E-Mail id</b>                                                           |  |

| Bank Account Details : (for electronic credit of unpaid dividends and all future dividends) |        |  |  |         |  |  |             |  |  |
|---------------------------------------------------------------------------------------------|--------|--|--|---------|--|--|-------------|--|--|
| Name of the Bank                                                                            |        |  |  |         |  |  |             |  |  |
| Name of the Branch                                                                          |        |  |  |         |  |  |             |  |  |
| Account Number (as appearing in your cheque book)                                           |        |  |  |         |  |  |             |  |  |
| Account Type (Saving / Current / Cash Credit)                                               | Saving |  |  | Current |  |  | Cash Credit |  |  |
|                                                                                             |        |  |  |         |  |  |             |  |  |
| 9 Digit MICR Number (as appearing on the MICR cheque issued by the bank)                    |        |  |  |         |  |  |             |  |  |
| 11 Digit IFSC Code                                                                          |        |  |  |         |  |  |             |  |  |

|                  | PAN No | Name | Signature |
|------------------|--------|------|-----------|
| First Holder :   |        |      |           |
| Joint Holder 1 : |        |      |           |
| Joint Holder 2 : |        |      |           |

Date:

Place:

Note:

1. Ensure that all the required details are filled in this form including folio no. and details of all joint-holder(s).
2. Ensure that supporting documents attached with the application are self-attested by respective holder(s).
3. Ensure that details filled in this form match with supporting documents provided.
4. Ensure that this form is signed by all the holder(s) of the share(s) as per folio.

[illegible]



## OUR LATEST STORE FORMAT

## PRESTIGE LIFESTYLE



# TTK Prestige

L I M I T E D

CIN:L85110TZ1955PLC015049

Corporate Office: TTK Prestige Limited, 11th Floor, Brigade Towers, 135, Brigade Road, Bangalore - 560 025.

Phone: 080 - 2221 7438/39 | Email: [customercare@ttkprestige.com](mailto:customercare@ttkprestige.com)

Registered Office: Plot No. 38, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu, India.

Email: [investorhelp@ttkprestige.com](mailto:investorhelp@ttkprestige.com)

[www.ttkprestige.com](http://www.ttkprestige.com)



Follow 'prestigesocial' on



[www.prestigexclusive.in](http://www.prestigexclusive.in)