

**TTK Prestige Limited**  
**eAnnual General Meeting held on 08<sup>th</sup> July, 2021 at 11 AM**  
**Transcript**

**Mr.Shankaran:-** Good morning! Namaskaram to all It's 11am. I am Shankaran whole-time director and secretary of TTK Prestige Limited. I have great pleasure in welcoming you all to the 65th Annual General Meeting held through video conference in accordance with Companies Act 2013 and the applicable SEBI Regulations and circulars issued by the ministry of corporate affairs. I hope all of you are safe and in good health and shape. I have great pleasure in introducing the members of the Board, Key Management Personnel and the Auditors of the Company. Due to COVID pandemic-related lockdown restrictions and to maintain social distancing, many Board Members are participating from different locations.

Mr.TT Jagannathan the non-executive chairman from the promoter group is attending this meeting from the residence at Bengaluru.

Mr. TT Raghunathan Promoter and the non-executive vice chairman is attending this meeting from his office in Chennai.

Mr. Chandru Kalro Managing Director and CEO is attending this meeting from the corporate office in Bengaluru. So also, I am attending this meeting from the corporate office in Bengaluru.

Mr. R. Saranyan CFO, he is attending this meeting from the corporate office in Bengaluru.

Mr.Dileep Krishnaswamy independent director and chairman of the audit committee and stakeholder relationship committee is attending this meeting from his residence at Bengaluru.

Mr.R.Srinivasan independent director and chairman of the nomination committee and Remuneration Committee and Risk Management Committee is attending this meeting from his residence in Bengaluru.

Mr. Arun Thiagarajan independent director is attending this meeting from his residence at Bangalore.

Dr.(Mrs) Vandana Walvekar independent director is attending this meeting from her residence in Mumbai.

Mr. Dinesh Garg, Executive Vice President (Sales and Marketing), Mr. K.G. George, Senior Vice President (Retail and New Channels), Mr. N. Radhakrishnan, Senior Vice President, Legal and Mr. Manas Martha, Vice President – HR, and other senior executives of the Company have also joined the meeting from their respective residence/place of work. Company's Statutory Auditors – Mrs. Seethalakshmi, Partner representing M/s. PKF Sreedhar & Santhanam LLP, Chartered Accountants, has joined through video conferencing from Bengaluru, and also Mr. C.N Srinivasan Internal Auditors, Partner, M/s. S. Viswanathan LLP, Chartered Accountants, has joined from Bengaluru.

Secretarial Auditor - Mr. Parameshwar Hegde has also joined the meeting via video conference from Bengaluru.

I now request the Chairman to call the meeting to order and conduct the proceedings.

**Mr.TT Jagannathan:-**

Dear Members, on behalf of the Board of Directors of the Company, I want to thank you for understanding the current tough situation posed by the Covid 19 pandemic and yet, taking out

your valuable time to join this meeting today. I have ascertained from the AGM Video Conference facility provider- KFinTech, that we have the requisite quorum present through video conferencing to conduct the proceedings of this meeting and all the members attending this meeting through video conference are counted for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013 and therefore, I call this meeting to order.

All the documents referred to in the notice pertaining to the agendas set out in the notice/explanatory statement and also Register of Directors and Key Managerial Personnel etc. are available electronically for inspection upon request by the members. Proxy register is not available for inspection since there is no proxy facility for virtual meeting of members. Before I take up the agenda items for discussion, I wish to state that, in accordance with the extant circulars issued by the Ministry of Corporate Affairs and SEBI on account of special situation arising due to COVID19 pandemic, the Company had sent Notice of the 65th AGM together with the Annual Report 2020-21 only through electronic mode to those Members whose email addresses are registered with the Company/Depositories and therefore, there was no physical copy of Balance Sheet etc., sent to any shareholder this time. As the Notice has already been circulated to all the members, I take the Notice convening the meeting as read.

I now request Mr. K Shankaran, Whole-time Director & Secretary, to provide general guidance to the members regarding participation in this meeting.

**Mr. K Shankaran:-**

Thank you, Chairman,

Dear Members, you are requested to note that this 65 th Annual General Meeting of the Company is being held through video conference in accordance with the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI and the meeting proceedings are being recorded also. Facility for joining this meeting through video conference is made available for the members on a first-come-first-served basis. All members who have joined this meeting are by default will be placed on mute by the host to avoid any disturbance arising from background noise and to ensure smooth and seamless conduct of the meeting.

As the AGM is being held through video conference, the facility for appointment of proxies by the members are not applicable. Since E Voting process is followed, there will be no voting by show of hands or physical voting.

The Company has received requests from a few members to register them as speakers at the meeting. Audio and Video of such speakers will be enabled by the moderator one by one once the Chairman opens the floor for questions and answers. For other shareholders, “Q & A option” will also be enabled through chat box at that time.

It may please be noted that the Chairman of this Meeting reserves the right to limit the number of members asking questions, number of questions and the time allotted for each such number to enable smooth conduct of this AGM. Further, the Company had provided the facility to cast the votes electronically on the resolutions set forth in the Notice and remote e-voting facility was open between July 5th 2021 9:00am till July 7th 2021 5:00pm IST. Members who have not yet cast their votes electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by K Fintech.

The Board of Directors has appointed Mr. Parameshwar G Hegde, of M/s. Hegde & Hegde, Bengaluru as the Scrutinizer to oversee the e-voting process.

I now request the Chairman to deliver his speech and conduct further proceedings. Thank you

**Mr. TT Jagannathan: -**

Thank you Mr. Shankaran, I have the great pleasure to welcome you all to the 65th Annual General Meeting of your company.

**General Economic Climate:**

The Indian economy that was witnessing a sharp drop in GDP following the impact of Covid 19 induced lockdown showed signs of improvement during the second half of FY 21. The GST collections also got robust from November 2020 onwards. However, the second wave that started in late March 2021 has come in the way of further recovery necessitating deployment of resources to protect the lives, safety, and basic needs of a large vulnerable sections of society besides augmenting healthcare infrastructure that is needed to fight this second wave. There have been lock downs by all the States across the country since April 2021, causing shutdown of manufacturing facilities as well as off-line trade in most geographies. Following the drop in cases and mass scale vaccination initiatives, the lockdown is being relaxed in stages in many geographies since mid-June 2021.

The silver lining is that following a bountiful monsoon in FY 21, the monsoon during FY 22 is also expected to be normal. Unlike the Q1 of the previous year, the GST collections during the first quarter of this fiscal have been sizable indicative of a reasonable state of activity in the overall economy.

Notwithstanding the huge spends on covid relief packages, the Union Government kept investing in various infrastructure projects and schemes envisaged in the Union Budget for FY 20-21 and it is expected that the planned investments outlined in the FY 22 budget will also continue. This can create employment as well as income generation that can boost consumption especially in the rural economy once the lockdown is eased further in the coming months.

Notwithstanding the positives outlined above, there does exist a fair probability of conditions remaining uncertain over a longer duration as the pandemic is yet to abate, both globally and locally, with the emergence of newer and newer strains. The second wave has impacted every other family forcing sizable spends on healthcare and also leading to a mindset to preserve cash for any future emergency. Large scale deficit financing necessitated by the pandemic can have inflationary effects affecting disposable income. It is expected that the ever-resilient Indians will fight their way up to restore growth.

With the above background I shall proceed to briefly cover the highlights of FY 21 and the steps being taken by your Company to stay stronger.

**FINANCIAL YEAR 2020-21**

The Annual Report for the year has already been circulated. This Annual Report contains both stand-alone and consolidated financials incorporating the business operations of the UK

Subsidiaries. The Directors Report vividly covers the impact of the first incidence of Covid-19 on the company during the year under report, the impact of the second wave that commenced during the fag end of the FY 21, the current standing point, outlook, and future strategy.

Your company had to deal with the following major challenges during FY 20-21.

- a. Lockdown that started during the second fortnight of March 2020 and continued during a major part of Q1 of FY 21
- b. Gearing of supply chain – both own-manufactured and outsourced – to meet the spurt in pent-up demand till September 2020. Some sale opportunities were lost during Q2 of FY 21 due to supply chain constraints.

Volatility in channel-mix and the need to allocate sufficient stocks to different channels – online, large format, general trade and rural.

Keeping the momentum of launch of new SKUs with most of the channels other than online just limping to normalcy.

Making alternate indigenous supplies for a couple of key products that were being imported from China. You are aware that your company has taken a policy decision to stop import of finished goods from China and make the company self-reliant without depending on China. The impact of Covid, delayed the process of indigenization. This also caused loss of sizable sale opportunities during FY 21.

Absorption of idle costs of around Rs.20 crores incurred during Q1 as your company did not resort wage cuts, employment cuts or knee-jerk cost saving measures.

Continuous hardening of key raw-material prices from the third quarter onwards and the need to take timely price-increases without disturbing the consumer sentiment.

Your company has successfully met each of the above challenges in record time that enabled your company to clock in an average monthly sale of Rs.200 crore during the last three quarters. Your company recorded a robust growth from the months of August 2020 onwards all the way up to mid-March 2021 i.e., when signs of second wave started hitting the markets. Your Company's innovative 'Svachh' range of pressure cookers and other new models of appliances were well accepted by the ultimate consumers.

Your company also improved its operating EBITDA margins significantly by improving efficiencies across all activities. By the end of FY 21, the supply chain has largely been streamlined with capacity enhancements both at own manufacturing locations and those at vendor level.

Against the above backdrop, it is considered commendable that your company, on standalone basis, achieved an all-time high sale of Rs. 2033 crores and an all-time of EBIDTA (before exceptional items) of Rs. 342 crores with an all-time operating EBIDTA margin of 16.8%. Standalone EPS was Rs.169.64 (PY Rs.143.21).

'Cleaning Solutions' business launched in FY 2017-18 has been gaining momentum and witnessed a significant growth in FY 21.

Prestige Xclusive Channel has been expanded and we now have more than 620 stores in place.

Notwithstanding the difficult times, your Company continued to maintain its leadership in the core product categories.

Your company's UK business through the subsidiary Horwood, has gained momentum during FY 21 both in sales and profitability.

### **DIVIDEND:**

During the financial year, in November 2020, an interim dividend of Rs.20/- per share was paid. Your directors have recommended a Final Dividend of Rs.30/- per share taking the total dividend for the financial year to Rs.50/- per share.

### **Finances:**

On a stand-alone basis, your Company is debt-free and carried a free cash of around Rs.550 Crores (including short-term liquid investments) as on 31.3.2021 after incurring capital expenditure and investments in the UK subsidiary aggregating to more than Rs 68 crores.

### **Brand Salience & Recognitions**

Prestige brand continues to be recognized as the Super Brand in the Kitchen Segment. Various recognitions for your company's innovations and stature have been mentioned in the Annual Report. As always, your company will be investing significant amounts in brand promotion and attractive campaigns.

### **Ranking:**

Your Company is ranked within the Top 300 listed companies of India based on market capitalization.

### **Going Forward**

In my last year's speech, I had mentioned that "Every business and every venture has to discover its own ways to adapt to the new normal, find innovative ways in every aspect. The one who moves swiftly and takes proactive measures is bound to sail through these turbulent times and emerge stronger".

Your company took the disruptions caused by the pandemic as an opportunity and took several proactive steps in digitalizing sales, marketing, and HR processes, launching digitalization initiatives in manufacturing processes and most importantly augmenting supply chain to ensure that your company is geared to meet the requirement of every sales channel that is used by the ultimate consumer.

Your company is committed to the welfare its employees at all levels and has kept their morale high through various support measures to tide over these difficult times.

Your company is closely mapping the various geographies in the domestic market based on the infrastructure spends of the State that can generate consumption in hither to dormant markets and is putting in place distribution efforts to reach these markets. Your company has already added over 2000 touch points in non-south geographies during FY 21 and this effort will continue in the coming years.

Your Company has launched the 'Judge' brand to tap the value seeking consumer segment hitherto unaddressed by your company. This brand will also accommodate product categories not addressed by the flagship brand Prestige. The positioning and planning of this brand is such that it will not cannibalize the Prestige space and that the margin and ROCE profile will further the cause of increasing the earnings per share.

Your company has strengthened interactions with export customers and has established that your Company can be a viable alternative to China for sourcing products from our India facilities and this has started paying dividends as witnessed by the growth in export sales in FY21 and an encouraging order book for FY 22.

Your company has also taken steps to enhance production capacities where required and will be in a better position to meet with demand during the year FY 22.

As regards FY 22, while the month of April '21 started as per plans, the lockdowns caused by the second wave of the pandemic have impacted the originally planned domestic sales for the months of May and June. However, both sales and profit for the first quarter are expected to be well ahead of the Q1 of the previous year. Your company is geared to launch more than 100 new SKUs during FY 22. I am confident that the new normal of working from home and eating healthy food cooked at home will continue to augur well for the kitchen and home appliances industry and with innovative products and the new launches your company will be in a better position to gain deeper penetration.

Though the covid pandemic has become a speed breaker, your company's long-range plan of doubling the sales with stable margins is very much on the radar and investments in supply chain and innovation are being continued to reach this milestone.

### **Acknowledgement:**

I acknowledge the strong support received from the shareholders, employees, suppliers, channel partners and banks during these challenging times and look forward to engaging with them more intensely.

Thank you

Since there are no qualifications, observations, or comments in the Auditor's Report on the Financial Statements of the Company for the financial year ended 31st March 2021, the same is not required to be read at this meeting, in terms of the provisions of Section 145 of the Companies Act, 2013. Similarly, the Cost Audit Report and the Secretarial Audit Report also do not contain any qualifications, observations, or comments and hence the same are not required to be read at this meeting. We now come to Items Nos.1 to 6 of the Notice along with Explanatory Statement already circulated to Members.

These items relate to the Adoption of Audited Financial Statements, Declaration of final dividend at the rate of Rs.30 per share & confirmation of interim dividend of Rs.20 per share, Re-appointment of Mr. K. Shankaran, who is retiring by rotation, as Director, Ratification of the remuneration payable to the Cost Auditors, Approval of Remuneration payable to Mr. T.T. Jagannathan and Approval for Payment of Remuneration to Mr. T.T. Venkatesh.

All these items are required to be passed as Ordinary Resolutions, except Resolution number 5 relating to Remuneration payable to Mr. T.T. Jagannathan which is a Special Resolution.

Now I request K-Fintech to enable the speakers one by one and also enable Q&A option. Please mention your name, Folio Number or Demat Account Number and the location from where you have joined. In the interest of time and smooth conduct of the meeting please keep your observations and questions brief and to the point and not exceed the time limit of 3 minutes. Please avoid repeating the same questions already asked by the previous speakers. The company has already received some queries through e-mails and may be receiving some queries through the chat box. All the questions will be classified under appropriate heads and to the extent appropriate, the same will be responded to.

**Moderator:** Thank you, Chairman sir. Now I request the first speaker, shareholder Miss Neha Sharaff unmute the audio switch on the camera and ask your question please.

**Neha Saraf:** Good morning, chairperson sir and the members of the board. I am Neha Saraf from Calcutta. I'm a proud shareholder of TTK prestige and also a member of the level man's organisation. My questions today are what is the expected growth of your cookware and electrical appliances. What kind of growth you see in the cleaning solution segment going forward over the next two three years? Do we see a continuing shift from the unorganised to the organized market even once the situation is more stable? And lastly, what is the market penetration for each of the segments cookers cookware electrical appliances and other products? Thank you.

**Moderator:** Now I request the next speaker shareholder Mr. Santosh Kumar Saraf to unmute the audio switch on the camera and ask your question please.

**Santosh Kumar Saraf:** Haan Namaskar one minute video. Madam video. One minute wait. एक मिनट मेडम वीडियो शायद अब हां ठीक है।

**Moderator:** ठीक है सर।

**Santosh Kumar Saraf:** मैं हिंदी में बोल सकता हूँ?

**Mr. TT Jagannathan:** जी बिलकुल बिलकुल बोल सकते हैं आप।

**Santosh Kumar Saraf**

: ठीक है सर। मामनीय आदर्श जी उपस्थित मेरे सदस्य गण और मेरे भाईओ बहनेनो जो आज हम वीडियो कॉन्फरन्स से प्रेज़न्ट है मैं संतोष कुमार सारा बोल रहा हुं सर आप सभी को मेरा नमस्कार। आशा करता हुं आप हमारे डायरेक्टर हमारे की मैनेजरियल स्टाफ और जीतने भी हमारे शेयर होल्डर विडिओ कॉन्फरस थ्रू प्रेज़न्ट है जितने भी हमारे स्टेक होल्डर है वे और उनकी फॅमिलिस कोविड के टाइम में सुरक्षित और स्वस्थ होंगे सब। सर मैंने एक लेटर भेज दिया है पहले सर सेक्रेटरी साहब को मिल गया होगा उनको देख लीजिएगा सर। उसमें मैंने क्योंकि दो मिनट का टाइम के अंदर बहुत ज़्यादा बता नहीं सकता। मैं जितने भी स्टाफ है उनको धन्यवाद कहूंगा बहोत अच्छा डिविडंड देने के लिए ५० जो आपने डिविडंड दिया इसमें आपको २० इंटरिम का रूपया हमें मिला सर। सर मेरा एक प्रश्न है की जब अपना रिज़ल्ट अपना जो भी है और रिटेल प्रॉफिट दोनों को मिलते है तो इक्विटी का 05 टाइम्स होता है सर तो क्या आपका विचार है सर के एक बायबैक क्यों नहीं किया जाए सर जिससे शेयर की वेल्यू बढ़े और इस कोविड

टाइम में शेर से कुछ पैसे आए सर या फिर एक्सपांशन करिए जिससे की ज्यादा ग्रोथ होगी तो हमें डिविडेंड के रूप में ज्यादा मिले जो अपना पैसा पड़ा हुआ है वो 5 टाइम्स काफी है सर। दूसरा सर ये है की आपका फ्यूचर प्लान क्या है? फ्यूचर रोड मैप क्या है? इसके बारे में थोड़ा बताने का कष्ट करिएगा सर और दूसरा विद्युत् सिंगल ईस्ट प्लास्टिक है उसके बारे में आपका क्या विचार है? और दूसरा व्यू है सर की जो सिंगल ईस्ट प्लास्टिक है इसके बारे में क्या व्यू है? प्लास्टिक अभी पैकेजिंग में भी काम आ रहे है इनको कब तक आप मतलब बंद करने का विचार है? क्योंकि स्वस्थ के लिए और पर्यावरण के लिए बहुत खराब होता है सर दूसरा सर मुझे है की वुमन एम्प्लॉई सिर्फ दो परसेंट है सर तो मैं चाहूंगा की १४४० जो एम पोईस है इसके अंदर २८ या ३० परसेंट वुमन एम्प्लॉईस इसकी परसेंटेज बढ़ाई जाये। क्योंकि वुमन एम्प्लॉयमेंट बहुत अच्छा है क्योंकि कल मोदी जी ने ११ वुमन को मिन्स्टर बनाया उन्होंने भी मैक्सिमम 50% वुमन एम्प्लॉयमेंट किया था हम चाहेंगे की आप भी वुमन एम्प्लॉयमेंट करे। समाज की भी उन्नति और देश की भी उन्नति है साथ में फेमेली की भी उन्नति है सर उसके बारे में विचार करिएगा सर। दूसरा सर ये है की अभी जो अपने 1980 का जो डीपोस्ट स्पेंडिंग चल रहे है उनको जल्दी से जल्दी सेटल करिए क्योकि अभी ये ३५ साल से डीपोस्ट पड़े हुए है तो गवर्मेंट ने जो स्कीम लॉन्च की थी दिवाकर डीपोस्ट अगर ये चालु है तो सेटल होता है तो करने का कोशिश करिए सर। इसके अलावा में कुछ नहीं कहूंगा सर। मुझे ये है की फ्यूचर प्लान के बारे में ज़रूर बताएगा सर। सर एक चीज़ और बताएगा की १४४० एम्प्लॉयीज है उनकी एवरेज एज क्या होगी और उनका डाइमेंशन क्या होगा? ज़ोन वाइस अगर आप बता सके तो कष्ट करिएगा। धन्यवाद सर आशा करता हूं आप डाइरेक्टर जीतने भी एम्प्लॉईज और जीतने भी स्टाफ है वो और उनकी फेमेली स्वस्थ रहेंगी और २०२१ का जो फाइनेंसियल यर है उन लिए वेल्दी हेल्दी और सेफ्टी रहेगा धन्यवाद सुनने के लिए बहुत बहुत धन्यवाद सर।

**Moderator:** धन्यवाद सरजी।

**Santosh Kumar Saraf**

: लास्ट बात सर ये वीडियो कॉन्फरन्स मीटिंग कंटीन्यू रखे सर क्योंकि हम आप से जुड़े रहे बेंगलोर में भी मीटिंग काफी दूर रहती है सर इसीलिए सर वीडियो कॉलिंग कॉन्फरन्स रखिए बहुत अच्छा रहेगा सर दिल्ली, बेंगलोर सब शेरहोल्डर होंगे सर। नमस्कार आप सब स्वस्थ रहिए सर।

**Moderator:** धन्यवाद सर जी। Now I move on to the next speaker shareholder Ms.Nidhi Anant Kanoi. Ms.Nidhi Can you please unmute the audio switch on the camera and ask your question please?

**Ms.Nidhi Anant Kanoi:** Yes, just give me a minute please. I'm just trying to put on the video. Can you see me?

**Mr.TTJagannathan:** No

**Moderator:** Not yet mam.

**Ms.Nidhi Anant Kanoi:** Oh okay! i think there is some issue with the video. I will ask my question anyway. Good morning, sir. Thank you, the chairman and the Board of Directors. Am Nidhi Kanoi from Bombay. proud shareholder of TTK Prestige and a member of millenia mams. The question I have today a challenging start to the financial year, TTK Prestige impressive recovery by existing financial year 21 and revenue growth of 5% year on year. e-commerce was a key segment to drive sales growth for the year almost 20% of revenues. What are the future marketing plans sir? In terms of e-commerce and lifestyle stores like the one in Bengaluru, thank you so much.

**Mr.TT Jagannathan:** Thank you.

**Moderator:** Now I move on to the next speaker, shareholder PineBridge Global Funds. PineBridge Global Funds can you please unmute or just switch on the camera and ask your question please?

**Deepak Joshi:** Good morning everyone. I'm Deepak Joshi representing PineBridge Global Funds. and joining this meeting from Mumbai. At the outset, thank you very much for providing us with an opportunity to represent our views. Sir, the European system, the European Union, sustainable finance disclosure known asset DR post from January 2021 and they are very important for foreign investors. As good corporate citizens we are already doing exemplary work but we also need to document and disclose this information. We have sent a mail to K.Shankaran. the executive director regarding the current status of our disclosures and the need to disclose more. I and my colleagues would be very happy to engage with you in case you need any further information. Our second suggestion is that we have a substantial amount of surplus cash on the balance sheet. Some of this cash has been parted in the director's fund which is risky revenue. Investing this hard-earned money into risky funds does not go really well with our conservative management practices. Hence, we would urge you to invest the surplus cash in bank fixed deposits. Thank you very much for giving me an opportunity. Thank you.

**Moderator:** Thank you I call upon our next speaker shareholder. Caramel Bina Pinto. madam Can you unmute the audio and switch on the camera and ask your question please. Ms. Bina Pinto. Hello Miss Bina Pinto!

**Bina Pinto:** Yes, good morning!

**Bina Pinto:** yeah mam

**Moderator:** Good morning mam continue.

**Bina Pinto:** Good morning respected Chairman sir and the members of the board. I am Mrs. Bina Pinto from Bengaluru a proud shareholder as well as the member millennium man's organization. So, I have couple of questions for you. My first question is the vision of TTK Prestige is to delight homemakers with innovation and to make the company's products available in every home. Please could you talk through some of the strategies to increase the product base and customer base across India both in rural and urban areas so as to double the turnover in five years. And so, my second question is currently the company's export comprises of 3.5% of its revenue, but plans to reach 500 crores in exports by 2025 from the current level of rupees 50 crore annually. Please could you share with us how you plan on increasing exports as well as would you look at countries that have a larger Indian diaspora which always need an Indian pressure cooker? Thank you, sir.

**Mr.TT Jagannathan:** Thank you.

**Moderator:** I call upon the next speaker shareholder Ms. Celestin Elizabeth.Can you please unmute the audio and switch on the camera and ask your question please.

**Moderator:** Madam Can you please unmute the audio.

**Ms. Celestin Elizabeth:** Hello Can you hear me?

**Moderator:** Yes, Mam you can continue.

**Ms. Celestin Elizabeth:** Am I audible?

**Moderator:** Yes, mam you are audible. You can continue.

**Ms. Celestin Elizabeth:** Respected chairman Mr. TT Jagannathan, vice president and other honourable directors on the dais and my shareholders attending this virtual. My name is Mascarina. I am from Mumbai. I think you have my DP number. I also thank the company's team, especially Madam Divya for sending annual reports and also helpful in entering the meeting. I touched the video only because whatever my email my difficulties. Now I am very happy with the working. Keep it up and what a good dividend of 20 and again 30 rupees this is very caring because in COVID days the things are becoming very difficult. And Market capital I am very very very happy now it is like a price of 4 digits I won't be surprised it will be 5 digits. Ah sir, now what I say is can you think of the split to increase the share plus liquidity will increase. It is like to give all the shareholders who are in it na! Now I congratulate you all for recognition as listed on page sixty. Also, I appreciate the CSR work done for the havenotes.

Now my queries sir we have six plants, total staff's permanent employees 1042 temporary employees 2200. Sir how many faculties were affected and given vaccinations. How much percentage of the plants have been vaccinated or entirely total is vaccinated? Sir, I like the innovations that are there in our products. I am really very much happy and I appreciated. Now my question is in pressure cooker cookware and gas stove what is the margin level in each of these and which our management feels that has great demand in the future. These are growth years and to grow very fast by non-organic growth is there any acquisition? And many more there and number four what are export policies. Number five what are policies in next two years keeping COVID in mind. I support all the resolution I would ask you the discount of 20 to 25% to the shareholders specially the women shareholders. Hawkins pressure cookers give every year 20% discount. They say madam you can take a 20% discount upto December 31st. If you think these lines. Anyway, I thank you everyone and wish the company all the best and wish prosperity and wealth. Thank you for giving me special hearing.

**Mr.TT Jagannathan:** Thank you.

**Moderator:** Thank you madam.

**Moderator:** Chairman sir, the other speaker's shareholders Mr. Saddanand Shashtri, Miss. Paridhi Aggrawal and Mr. Yusuf Angola has not joined the meeting.

**Moderator:** With this we are completing the speaker shareholder meet. I will handover back to you chairman sir. Thank you.

**Mr.TT Jagannathan:** I Having received various queries, I now request Mr. Shankaran, Wholetime Director & Secretary and Mr. Chandru Kalro, MD and CEO to provide the answers/clarifications

**Mr. Shankaran:** Good morning, everybody. Thank you for all these questions. They're really, business oriented and then showing interest in the company. I will take a few questions which I'll answer and some questions my colleague Mr. Chandra Kalrav will answer, I take my questions first.

**Mr. Shankaran:** I first thank the various shareholders who know express to care for us, and then asking about the health of our directors and CEOs. All of us are quite well with blessings of you and God and we are all available in this meeting. Thank you for the questions.

**Mr. Shankaran:** There was a question regarding inorganic opportunities and also the on cash position dividend payout, as well as buyback, I will answer these questions. As far as the inorganic opportunity is concerned the company has detailed its look out for opportunities in the directors' report. We are not looking at acquiring another company in existing categories like pressure cookers. We are looking at areas where we are not present at this point in time, more will be shared when it is matured enough to share. Regarding cash in the balance sheet, we are building this cash, as you all pointed out, for in any inorganic opportunity. As a company, we don't want to leverage the company to acquire something but want to use internal accruals. And regarding a deployment of cash, if you observe from last year to this year, we have moved a large portion of the surplus cash into fixed deposits. And what we are deploying now is all in liquid securities for short term so that whenever there is a need for cash, we'll be able to use the same. Please be rest assured that the principal is kept safe at all costs.

**Mr. Shankaran:** There is a question on human resource. More than 50% is in manufacturing manufacturing where we have male employees. In non-manufacturing we have significant presence of the women like in corporate office, marketing and services. Even in factories apart from permanent employees, we engage quite a number of casuals and contract workmen comprising of women. We are open to gender diversity and will continue to improve upon this going forward. Our employees are evenly spread over southern western and northern and eastern parts of India. You know we've got factories in Tamilnadu, Maharashtra, Gujarat and Uttarakhand they are evenly spread across India. We have branches across India and 25 warehouses across India. Therefore, employees are well spread geographically. There was a question on tax litigations. Wherever we need to go to the settlement route we have done already.. For the balance we have got the very strong advice that we have very strong case and there is no need to go opt for settlement. Some are pending in the courts, and they take their own time. We can't speed up them. And there was a question on plastic usage As company we discontinued plastic in most respects, going even beyond statutorily permitted levels, and the company is committed to a green and clean environment. The Company's factories that have been certified for compliance with green norms under various standards.

As regards distribution of dividend we are continuously increasing our dividend payout ratio. Especially this year even in spite of Covid impact we have increased our payout ratio. As pointed out earlier we preserve cash for any inorganic acquisition buyback option is a little difficult.. Company has to preserve a good amount of cash for unforeseen situations like COVID. Regarding splitting the shares Board Members are also listening to you and will take appropriate decisions. And there are the questions on margins which will be answered by Mr. Chandra Kalrao. There was a question from pin bridge. Thank you sir for showing interest in the company and we are aware of the European practices in terms of reporting on sustainability practices. In spirit, we are in line, while formal reporting job is work-in- process. We will be in touch with you for your inputs for the reporting process. I

think the balance questions are on account of business operations, future growth, exports. Etc and I request Mr. Chandru Kalro to answer each of them.

**Moderator:** Chandru sir you are on mute sir.

**Mr. Chandru Kalro:** Thank you Mr.Shankaran and all shareholders for taking the interest in attending this meeting and showing concern to all of us. I would like to take up some of the questions on the business side. There was the question of expected growth rate in cookware and electrical appliances, cleaning solutions etc. The normalcy if it returns and the last year the 9 months are anything to go back we expect the same once the normalcy happens and we expect the growth to be in the mid-teens or thereof in cookware and electrical appliances. We already stated that we want to double the cleaning solution business in the next couple of years and there was also the question of the unorganized players. Are they losing or are they gaining. Well yes last year trends affected the unorganized because the supply chains are much more robust with the organized players. We can say that unorganized sectors are getting organized. These are very dynamic situations. We are not putting our guard down in anyways. We are staying on course and we always look at the opportunities to gain market share wherever it is possible. I also got the question on what the penetration levels of the cookware and electrical appliances cookers etc's. The pressure cooker in urban area are highly penetrated in almost 90% of all homes that have the pressure cooker. in rural are it exceeds 30% as we speak the ujwala scheme our government is kind of accelerating the pressure cookers as well Pressure so its a very mature category. There are some very mature categories in electrical appliances like the mixture grinder as well. These typically as you know are growing in the high single digits on year on year basis. There are several electrical appliances which have lower penetration. For eg: convenience products like choppers, like juicers those are very lower penetrated and offer high growth for example kettles. In short there is enough room for growth in the Indian market place both in urban and rural areas. There was the question of e-commerce potential and its role last year. Well, when the lockdown was there and many of the channels were shut off. E-commerce was definitely one good way to do business. We, even before the COVID pandemic happened, had invested heavily towards making sure that we are leaders in the ecom space. We have taken several steps well in advance like having our own ecom fulfillment centers across the country etc. etc. and those investments actually paid off last year. And even marketing spends now have move towards the digital side. Ecommerce was the big thing. But in the last year we made sure that other channels are also protected. and as the channels opened up they also started being productive for us and in fact in Q4 all the channels have grown. So ecom is growing much faster than the other channels. It is very important channel in line with the consumer changes and we are always investing in that. Regarding the lifestyle store, your company as you know, has been pioneer in the exclusive branded retail and we have very successfully have been running franchise retails of ours across the country. We have around over 600 outlets as you already know. prestige Lifestyle store is the experimental concept for a different format .Given the COVID situation I don't think we have enough learning permit yet. Once we have that learning we will come back to you. It is an experiment to see if we can have any different format for attracting different kinds customers and also shows potential at categories which we are otherwise not present yet currently. There was a question on growth strategy and the company's approach to realising its vision. As you know its broadly explained in the directors report and the chairman's speech. Largely our strategy has been innovation, product differentiation and expanding the distribution. These have been the basic tenants on which our strategies are built on and these are key business strategies for us. Last year we have launched the Svaach brand of pressure cooker and almost every format of

our pressure cooker has now gone on to this platform. It made to huge success; remember we are solving a problem with customer thoughts she had to live with and actually we have solved that problem. We have now launched a few weeks ago new gas stoves on Svachh platform which is again completely innovative solution to the home maker to keep the kitchen clean. We believe that this innovation also will go in a long way in upgrading the existing customers to this format. we have launched Judge range of products to compete in price segments which otherwise we cannot with the prestige brand and significant for us and this is also going to be part of our growth strategy. There are lots of other initiatives that I believe cannot be shared in public in the interest of protecting our company. I would like to share at this point in time. in terms of categories margin levels your company has constantly followed the strategy of cost plus and yet being profitable by providing lot of value to its customers and that is the strategy we have followed. We don't believe in overcharging for innovation; we believe in market share with that innovation and that is how we gone about it and as you have seen our margin grow in the last few years and we are trying our best to continue to make sure that our profits would grow and sustain the margins. In terms of category growth levels, different categories grow at different levels as I said earlier. Then there was another question on exports. Share of exports in sales currently is small our scheme of things because of domestic is more than 95% of our business; but exports in next few years we believe will offer several opportunities for growth and we have been investing in building relationships internationally to make sure our customers pipeline is expanding and the existing customer base is buying more from us and this is happening already. I think the target of 500 crores which we set for ourselves in exports is achievable and we are doing everything we can to make sure that we are on track to achieve that object. Probably I think these were the questions. Thank you so much again for your time.

**Mr.Shankaran:** Sorry I left one question on COVID aspect. As you know the company is taking care of its human resource as detailed in the annual report as well as in chairman speech. The company is very proactive to ensure safety at workplace. And for giving guidance right from start to maintain discipline office and home; and various proactive measures to ensure that no life is lost. Unfortunately, we have lost about 10 lives and each such family is taken care of by providing financial support for the next two years. And we are trying to find employment within the company for eligible survivors. As regards vaccination the company has initiated the vaccination processes at various places and am happy to say that at this point in time each employee has at least vaccinated once depending on their age group and we are continuing the process of education because the COVID is still going off. We are giving not only medical and t finance support but most importantly we are giving psychological support through our mind wellness cell.. In case of people who have been attacked by COVID and are recovering we are giving leave with full pay and further extending the facility to from home till they become fit to commute to office or travel. As you know as a traditional company for us people are first human beings and not just not assets. Assets mean we have to exploit them. We take care of them. Thank you. I trust that we answered all the questions to the extent we could.

**Mr.TT Jagannathan:** Thank you all. I place on record my appreciation to all of you for your valid observations and participation and would like to proceed further on the business of this meeting.

Members, you may please note that the voting on the KFinTech platform will continue to be available for the next 15 minutes. Therefore, members who are present in this meeting and those who are yet to cast vote are requested to do so.

The Board of directors has appointed Mr. Parameshwar G. Hegde, Practicing Company Secretary, Bengaluru as the Scrutinizer to supervise the e-voting process. Further, we shall declare e- voting results within the SEBI prescribed timeline and inform stock exchanges and also will place the same on the Company's website. The resolutions, as set forth in the Notice, will be deemed to have been passed in today's AGM subject to receipt of requisite number of votes.

I thank all the shareholders for attending the meeting and I hereby declare the proceedings of the Annual General Meeting as closed. Thank you.