The background of the entire page is a repeating pattern of white silhouettes of various kitchenware items, including pots, pans, blenders, and kettles, set against a solid orange background.

# Prestige<sup>®</sup>

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SUSTAINED GROWTH. SUSTAINED PROFITS.

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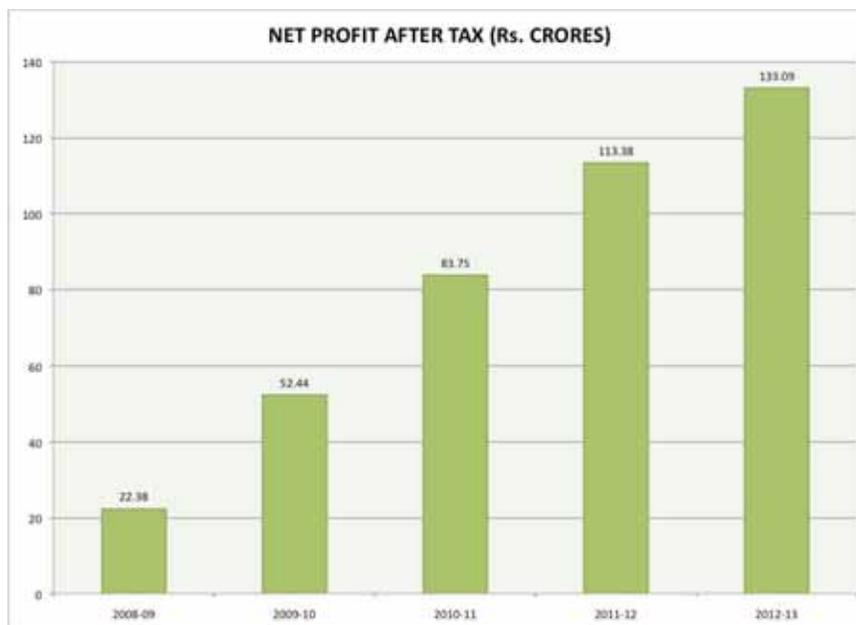
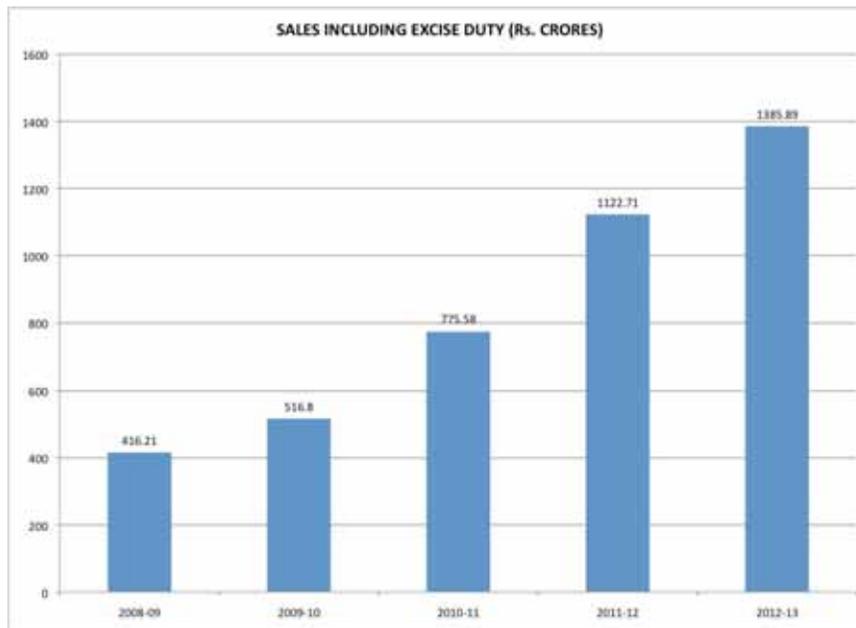
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**TTK Prestige**  
LIMITED

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ANNUAL REPORT 2012-13





## TTK PRESTIGE LIMITED

### FIFTY SEVENTH ANNUAL REPORT 2012 - 13

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#### BOARD OF DIRECTORS

Shri. T.T. Jagannathan	Executive Chairman
Shri. T.T. Raghunathan	Vice Chairman
Shri. S. Ravichandran	Managing Director
Shri. Ajay I. Thakore	Director
Shri. R. Srinivasan	Director
Dr. (Mrs.) Latha Jagannathan	Director
Dr. (Mrs.) Vandana R. Walvekar	Director
Shri. Dileep K. Krishnaswamy	Director
Shri. Arun K. Thiagarajan	Director
Shri. K. Shankaran	Director & Whole-time Secretary

#### STATUTORY AUDITORS

M/s. S. Viswanathan  
Chartered Accountants  
27/34, II Floor, Nandi Durg Road, Jayamahal Extension, Bengaluru - 560 046.

**REGISTERED OFFICE & WORKS**  
Plot No. 38, SIPCOT Industrial Complex  
Hosur - 635 126, Tamil Nadu.

**CORPORATE OFFICE**  
11<sup>th</sup> Floor, Brigade Towers  
135, Brigade Road  
Bengaluru - 560 025.

**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.

#### 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.

#### REGISTRARS & SHARE TRANSFER AGENTS

Karvy Computershare (P) Limited  
Plot No. 17-24, Vittal Rao Nagar, Madhapur  
Hyderabad - 500 081.

#### BRANCHES

Ahmedabad, Bengaluru, Chandigarh, Chennai, Cuttack, Delhi, Dehradun, Ernakulam, Ghaziabad, Goa, Gurgaon, Guwahati, Hubli, Hyderabad, Indore, Jaipur, Jamshedpur, Kolkatta, Lucknow, Ludhiana, Mumbai, Parwanoo (HP), Patna, Pune, Raipur, Trichy and Vijayawada.

## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that the Fifty Seventh Annual General Meeting of **TTK PRESTIGE LIMITED** will be held at Rennaissance Sarovar Portico, No. 422, SIPCOT Phase II, Bengaluru Road, Hosur - 635109 **on Monday, the 15<sup>th</sup> July, 2013 at 10.15 a.m.** to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Ajay I Thakore who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. (Mrs.) Vandana Walvekar who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint a Director in place of Mr. K. Shankaran who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint the Auditors of the Company for the ensuing year and authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS :

7. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. T.T. Jagannathan be and is hereby appointed as a Director under the provisions of Sec. 257 of the Companies Act, 1956".

8. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections.198, 269, 309, 310, 311 & Schedule XIII and other applicable provisions of the Companies Act, 1956 and the Articles of Association of the Company, the re-appointment of Mr. T.T. Jagannathan as Executive Chairman of the Company for a further period of 5 years from 1st July, 2013 by the Board of Directors on the terms and conditions specified in the explanatory statement to this resolution be and is hereby approved".

"RESOLVED FURTHER THAT during any year of loss or inadequacy of profits, Salary and Allowances fixed by the Directors together with other perquisites shall be paid as minimum remuneration and that the Board of Directors be and are hereby authorized to make an application to the Central Government as may be necessary if such minimum remuneration exceeds the ceiling, if any, prescribed under Schedule XIII to the Companies Act, 1956 or any statutory modifications thereof as may be in force from time to time."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to revise the remuneration and benefits to Mr. T.T. Jagannathan from time to time within the ceiling prescribed under Schedule XIII to the Companies Act, 1956 or any statutory modifications thereof as may be in force from time to time."

9. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sec.198, 309 and other applicable provisions of the Companies Act, 1956, sanction be and is hereby accorded to enable payment of Commission to directors who are not managing or whole time directors up to 1% of the net profits of the Company for each financial year computed in accordance with Sec.198(1) of the Companies Act, 1956 and that the actual quantum of such Commission be determined by the Board of Directors and divided between such directors by agreement between them or as determined by the Chairman".

"RESOLVED FURTHER THAT the above resolution shall be valid for a period of 3 financial years commencing from 1st April 2013 to 31st March 2014 and ending with 1st April 2015 to 31st March 2016".

By Order of the Board

Place : Bengaluru  
Dated : 11<sup>th</sup> June, 2013

**K. SHANKARAN**  
Director & Secretary

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ONLY ON A POLL AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Dividend on Equity Shares as recommended by the Board of Directors, if declared at the Meeting, will be paid to those Shareholders whose names appear in the Register of Members on 4<sup>th</sup> July, 2013.
3. Members are requested to intimate the Company, changes if any, in their registered address at an early date.
4. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updations of savings bank account details to their respective Depository Participants.
5. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS SHALL REMAIN CLOSED FROM 5<sup>th</sup> July, 2013 TO 8<sup>th</sup> July, 2013 (BOTH DAYS INCLUSIVE)
6. Members are requested to bring their copy of the Annual Report to the Meeting.
7. Those members who have so far not encashed their Dividend Warrants for the below mentioned financial years, may

claim or approach the Company's Share Transfer Agents for the payment thereof as the same will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the respective due dates mentioned there against. Kindly note that after such date, the members will not be entitled to claim such dividend.

<b>Financial Year Ended</b>	<b>Due Date of Transfer</b>
31 <sup>st</sup> March, 2006	28-8-2013
31 <sup>st</sup> March, 2007	09-8-2014
31 <sup>st</sup> March, 2008	24-7-2015
31 <sup>st</sup> March, 2009	11-8-2016
31 <sup>st</sup> March, 2010	28-6-2017
31 <sup>st</sup> March, 2011	13-7-2018
31 <sup>st</sup> March, 2012	01-7-2019

8. In line with the Green Initiative taken by the Company and the guidelines issued by Ministry of Corporate Affairs in this regard, we are sending documents like Notices, Financial Statements etc. to the email address provided by you. We request you to update your email address with your depository participant to ensure that the documents reach you on your preferred email account.
9. Information required under Clause 49 VIA of the Listing Agreement with the Stock Exchange with respect to the Directors retiring by rotation and being eligible seeking re-appointment are as under:

**1. Mr. Ajay I Thakore**

Mr. Ajay I Thakore retires by rotation and is eligible for re-election.

Mr. Ajay I Thakore is a Chartered Accountant and a practising Advocate & tax consultant. He has been on the Board of the company since 1974.

He is the Chairman of Chandramouli Holding & Leasing (P) Ltd and Ardheesh Chemicals Pvt. Ltd.

Mr. Ajay I Thakore is a member of Audit Committee and Remuneration Committee of the Company.

He holds 672 shares in the Company.

The Resolution is commended for adoption.

None of the Directors except Mr. Ajay I Thakore is deemed to be interested in this Resolution.

**2. Dr. (Mrs.) Vandana Walvekar**

Dr. (Mrs.) Vandana Walvekar retires by rotation and is eligible for re-election.

Dr. (Mrs.) Vandana Walvekar is a Gynaecologist. She has been on the Board of the Company since 1975.

She is a member of Audit Committee & Remuneration Committee of the Company.

She holds 672 shares in the Company.

The Resolution is commended for adoption.

None of the Directors except Dr. (Mrs.) Vandana R. Walvekar is deemed to be interested in this Resolution.

**3. Mr. K. Shankaran**

Mr. K. Shankaran retires by rotation and is eligible for re-election.

Mr. K. Shankaran is a qualified Cost & Management Accountant and Company Secretary. He has been the whole time Secretary of the Company since 1990. He was inducted into your Board from 1993.

Mr. K. Shankaran is also on the Board of TTK Healthcare Limited, TTK Healthcare TPA (P) Limited, TTK Services (P) Limited and TTK Property Services (P) Limited.

He is a member of Shareholders'/Investor Grievance Committee, Remuneration Committee and Audit Committee of TTK Healthcare Limited.

He holds 1100 shares in the Company.

The Resolution is commended for adoption.

None of the Directors except Mr. K. Shankaran is deemed to be interested in this Resolution.

By Order of the Board

Place : Bengaluru  
Dated : 11<sup>th</sup> June, 2013

**K. SHANKARAN**  
Director & Secretary

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

**Information to Members**

For the convenience of Members, the Company will provide a coach service from Bengaluru on the day of the Meeting. The coaches will leave for Hosur at 9 a.m. from Madiwala Police Station. Members who want to use this facility may kindly inform the Secretarial Department (Ph: 22218817) and e-mail to manju@ttkprestige.com giving their Name and Folio Number/D.P. ID on or before 10<sup>th</sup> July 2013, after which it will be difficult to accommodate your request for transfer facility.

# TTK Prestige Limited

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM No. 7

Mr. T.T. Jagannathan is proposed to be appointed as a Director under provisions of Sec. 257 of the Companies Act, 1956. Requisite Notice along with deposit has been received from a member. The resolution is commended for adoption. Required particulars are provided under Item No. 8.

### ITEM No. 8

Re-Appointment of Mr. T.T. Jagannathan as Executive Chairman.

The current office of Mr. T.T. Jagannathan as Executive Chairman is valid up to 30<sup>th</sup> June 2013.

The Board of Directors at their meeting held on 16<sup>th</sup> May 2013 have re-appointed Mr. T.T. Jagannathan for a period of 5 years from 1<sup>st</sup> July 2013

His terms of appointment as fixed by the Remuneration Committee and approved by the Board of Directors and which have already been circulated to the members under Sec. 302 of the Companies Act, 1956 are as follows:

A.	Salary	₹ 5,00,000 per month in the pay scale of ₹ 5,00,000 - ₹ 10,00,000.
B.	1. Housing	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.
	2. Gas, Electricity & Water	The expenditure incurred by the Company on Gas, Electricity, Water, Furnishings etc., shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary.
	3. Medical	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents.
	4. Leave Travel Assistance	For self and family, to and fro Airfare and other related expenses to any place in India or abroad once a year.
	5. Club Fees	Fees for two clubs not including admission and life membership fee.
	6. Personal Accident Insurance	Personal accident cover, as per the rules of the company.
C.	Other Benefits	
	1. Provident Fund contribution	- As per rules of the company.
	2. Superannuation contribution	- As per rules of the company.
	3. Leave and Leave encashment benefits	- As per rules of the company
	4. Gratuity	- As per rules of the company
D.	1. Car	Free use of Company maintained car with driver.
	2. Telephone	Telephone at residence

E.	Commission	The Appointee will be entitled to Annual Performance Bonus Commission up to a maximum of 4% of the net profits of the Company computed in accordance with Sec.198 of the Companies Act, 1956 as fixed by the Remuneration Committee and approved by the Board of Directors. However, the Performance Bonus/Commission so paid plus his substantive salary as referred to above from A to C shall not exceed the ceiling prescribed under the Act which is currently at 5% of the net profits.
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The above remuneration exclusive of Commission shall be paid as minimum remuneration in the year of loss or inadequacy of profits. If such minimum remuneration is in excess of ceiling, if any, prescribed under Schedule XIII to the Companies Act, 1956, or any statutory modifications thereof, the company shall seek permission of Central Government as may be necessary in accordance with provisions governing payment of remuneration in force at the relevant point of time.

The re-appointment of and his terms of remuneration require the approval of the Shareholders in General Meeting. Hence the resolution is placed before the meeting.

Mr. T.T. Jagannathan is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA. He has been on the Board of the Company for the last 38 years.

Mr. T.T. Jagannathan, Mr. T.T. Raghunathan and Dr. (Mrs.) Latha Jagannathan are deemed to be interested in the resolution. The resolution is commended for adoption.

### ITEM No. 9

The Non Executive Directors and the independent Directors of your company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems and finance.

The Board is of the view that it is necessary that adequate compensation should be given to the Non-Executive Directors and the Independent Directors so as to compensate them for their time and efforts and also to retain and attract the pool of talent for the growth and prosperity of the Company.

The shareholders have been periodically passing special resolutions to enable payment of Commission to Directors other than Managing or Whole time Directors subject to a ceiling of 1% of the net profits of the Company computed in accordance with Sec.198(1) and 309 of the Companies Act, 1956. It is proposed to renew the resolution up to the financial year 2015-16 as permitted under section 309(7) of the Companies Act, 1956.

All the directors other than Mr. S. Ravichandran and Mr. K. Shankaran are deemed to be interested in this resolution.

By Order of the Board

**K. SHANKARAN**  
Director & Secretary

Place : Bengaluru  
Dated: 11<sup>th</sup> June, 2013

**DIRECTORS' REPORT****(Including Management Discussion and Analysis Report)**

Your Directors have pleasure in presenting their Fifty Seventh Annual Report, together with the Audited Accounts of the Company, for the year ended 31<sup>st</sup> March 2013 as follows:

**FINANCIAL RESULTS**

(₹ in lakhs)

	2012-13	2011-12
Sales (inclusive of excise duty)	138589	112271
Other income	473	448
Earnings before tax, interest, depreciation & amortisation	20846	17592
Profit/(Loss) before tax	18520	16326
Tax Provision	5211	4988
Net Profit/(Loss)	13309	11338
Transfer to General Reserve	1500	1134
Proposed Dividend (including tax)	2322	1974
Surplus carried to balance sheet	9487	8230

**REVIEW OF PERFORMANCE :**

Your Company is focused on growth with a fair return on capital employed. Your Company does not follow a standalone margin-led strategy. Therefore the performance has to be understood only in the light of the philosophy followed by your Company.

- Sales grew by 23.44% on a higher base after witnessing growths 45% and 50% in the previous two years and against the back drop of a significant slowdown in domestic as well as global economies. In addition, two key Southern States witnessed severe monsoon failure and power crisis for most part of the year under report leading to steep fall in consumption in those States.
- Your Company crossed the milestone of 5 million pressure cookers (including exports) and registered a sales volume of 5.54 million pressure cookers in the year under report.
- Export volumes of pressure cookers crossed the one million mark for the financial year
- Your Company crossed the milestone of 1 million Induction Cooktops and recorded a sales volume of 1.2 million pieces in the year under report. This volume has been achieved within 4 years of launch.
- Your Company gained a very strong foot-hold in the non-south markets across all product categories and this has helped in off-setting the slowdown in the two key southern states, Tamil Nadu and Kerala.
- EBIDTA grew by 18.5%
- Profit after tax increased by 17.38%.
- The operating EBIDTA margin was 15.04% as compared to 15.67% in the previous year. EBIDTA margin is largely influenced by the composition of sales as different product categories yield different margins.
- Earnings per Share (before extra-ordinary/exceptional items) rose to ₹ 117.35 from ₹ 99.97- a growth of 17.39%.

- The ratio of Operating EBIDTA/ Operating Capital employed (excluding CWIP) in the Kitchen Segment is 58.4% notwithstanding substantial additions to asset base for future needs of production.

A detailed analysis is provided under the section 'Management Discussion and Analysis' forming part of this Directors' Report.

**AWARDS AND RECOGNITIONS**

Your Company is being continuously recognized by various reputed agencies for its overall corporate performance and brand standing. Your Company's brand Prestige continues to be recognized as the Super Brand in the Kitchen Appliances Segment. Your Company received the Power Brand award during 2012. Some of your Company's key executives- Mr. Chandru Kalro, Chief Operating Officer, Mr. V. Sundaresan, CFO and Mr. K. G. George (Senior Vice President, Retail) have also been recognized as top performers/icons by reputed external agencies.

Mr. T.T. Jagannathan, Executive Chairman, received the coveted Ernst & Young's "Entrepreneur of the Year" award for the year 2012 in the Consumer Product Category.

Your Company's R&D Centre at Hosur has received recognition from the Department of Science and Technology which will enable your Company to avail certain benefits under Direct and Indirect tax laws subject to prescribed conditions.

**MANAGEMENT DISCUSSION AND ANALYSIS****A. ECONOMY /INDUSTRY SCENARIO**

The macroeconomic environment throughout the Fiscal Year 2012-13 was challenging in the backdrop of weak global economic environment as well as a host of domestic factors. The real GDP growth rate was estimated at less than 6% a further drop from the previous fiscal. During the year inflationary trends continued to inhibit consumption. In fact the Private Final Consumption Expenditure (PFCE) grew by a mere 2.3% in 2012-13. The PFCE growth was hovering around 8% till 2011-12.

States like Tamil Nadu and Kerala, suffered heavily due to poor monsoon and power deficit which affected every part of the economy in these States. Andhra Pradesh also went through a slow down due to local economic and market conditions.

Against the backdrop of the above described scenario your company was able to keep up its momentum of growth and grew by about 23.4% in 2012-13 over and above the growth of 45% achieved in the previous year.

Your Company operates in the kitchen appliances segment with a wide range of product categories. The product categories consist of Pressure Cookers, Non-stick Cookware,

# TTK Prestige Limited

Gas Stoves and Domestic Kitchen Electrical Appliances. The market for Pressure Cookers is shared amongst organized national branded players, regional players and unorganized players. Over the years, the share of the unorganized players has been gradually coming down as there has been a shift in the consumer preference to reliable branded players. The market for organized brands is estimated at more than 60% of the total market. The share of unorganized players is greater for Non-stick cookware as compared to pressure cookers. For the rest of the product categories, the market structure is fragmented and the share and the role of regional brands and unorganized players continue to be significant.

The Appliance Category – both Home and Kitchen – is witnessing a lot of churn. Both foreign and domestic players are entering the category or expanding their range to cover a host of products in the category. Regional brands are either bought by foreign players or being supported by private equity investors. Some State Governments have started providing select domestic electrical appliances like mixer-grinders; fans etc. free of cost to low income groups. The dynamics of all these can probably lead to generation of demand for branded and upgraded products in the long run.

## **B. OPPORTUNITIES, THREATS AND COMPANY'S RESPONSE**

Your Company's growth is steadily built on its core strengths of brand, manufacturing, design, distribution, sourcing and service capabilities.

Driven by the Vision – 'A Prestige in every Indian Kitchen' and the Strategy – "Total Kitchen Solutions" - your Company over the last decade has been enlarging its scope to occupy the entire kitchen, providing a concept rather than a mere product and offering a host of simple solutions to the problems of day-to-day kitchen user through relevant products. Continuous innovation has been the key to the offering of well differentiated products relevant for different consumer segments catering to their respective tastes. This coupled with the sustained investments in Brand and Product Communication across the Indian Market have aided your company to grow aggressively beyond its strong holds of southern markets.

Your Company has already initiated the process to enter Kitchen Storeware and Water-filters. Your Company will explore all opportunities to tap a further range of product categories and extend the brand Prestige to more product categories.

Over the last 10 years your Company has built the strong exclusive retail network 'Prestige Smart Kitchen'. On similar lines your Company is in the process of establishing a dedicated Service Network under the name and style "Prestige Service Centre" with modern and customer friendly ambience. Already more than 100 centres have

been opened and further additions will be made across the country.

Your Company has already started the process of indigenizing manufacture/assembly of certain key products both in Cookware and Appliance Categories which will have favourable impact on supply chain and working capital utilization.

All the above described factors provide a strong platform for your Company to maintain decent growth rates and further broad-base your Company and derisk it from being dependent on limited product range, a few geographies, limited manufacturing/sourcing bases, etc.

The Indian economy is expected to grow at about 6.3% in 2013-14. This expectation is based on several investment clearances during the last one month. The Private Final Consumption Expenditure is also projected to increase by a little more than 6%. If this expectation materializes there is a good opportunity for branded players.

Your Company has been foreseeing as well as taking advantage of all opportunities. For instance, your Company was the first to see a great opportunity in Induction Cooktops and customizing it for Indian Customer and bundle the same with Cookware and Pressure Cookers and create a Total Solution for the customer. Your Company followed it with perfecting the technology and establishing large-scale facilities for induction based products. In a situation where there is cap on subsidized gas cylinders and moving to market related pricing policy for cooking gas, your Company is in the forefront of taking advantage at pan-India level. Your Company will continue with this spirit in the years to come.

The threat in the domestic market continues from the unorganized players and regional brands that compete with unviable low pricing strategies. The entry of larger players as stated above may shift the opportunities to organized branded players. The free distribution of certain products by State Governments is expected to create a decent replacement market in the years to come. Your Company has been continuously monitoring the situation and will continue to have dynamic set of strategies to deal with such situations.

Your Company's export strategy will be tactical balancing the needs of domestic market, comparative margins and optimum capacity utilization. 'Micro Chef', the microwave pressure cooker range, mainly intended for the export market has contributed immensely during the financial year 2012-13. This product has received patents in USA, Canada and Japan. The patent applications are under processing in many other countries.

## **C. ANALYSIS OF PERFORMANCE :**

### **1. Kitchen Appliances :**

The products include Pressure Cookers, Non-stick Cookware, Kitchen Electrical Appliances and Gas Stoves.

The turnover of these product categories is given in the following table:

(In ₹ Lakhs)

	2012-13			2011-12		
	Domestic	Export	Total	Domestic	Export	Total
Pressure Cookers (including microwave pressure cookers)	44661	6404	51065	38031	3290	41321
Non-stick Cookware	24430	55	24485	22418	51	22469
Kitchen Electric Appliances	44907	-	44907	34944	-	34944
Gas Stoves	12790	-	12790	10084	-	10084
Others	5278	64	5342	3398	55	3453
<b>Total</b>	<b>132066</b>	<b>6523</b>	<b>138589</b>	<b>108875</b>	<b>3396</b>	<b>112271</b>

- Domestic Sales registered a growth of 21.30% while exports registered a growth of 92.08%. The growth in export was contributed mainly by microwave pressure cookers.
- The traditional product categories, namely, Pressure cookers and Cookware registered a growth of 23.58% and 8.97% respectively in domestic market.
- The growth in non-traditional product lines like gas stoves and kitchen electrical appliances has been impressive at 26.83% and 28.51% respectively.
- Sales growth was driven substantially by volumes and also product mix between value-added products and others. Except Non-stick cookware, the volume growth was significant in all other product categories. The severe slowdown in key States of Tamil Nadu and Kerala was well compensated by growth in non-south markets.
- The distribution of products of World Kitchen, USA in the high-end Tableware (Corelle range) and Storeware range contributed about ₹ 9.35 crores. After a review of the sales performance during the FY 2012-13 it has been agreed to restrict the relationship to only Storeware range under the brand SnapWare.
- Operating EBIDTA/ Gross Sales ratio was around 15.04% as against 15.67% in the previous year. The composite margin of your Company is the weighted average of the margins of the Pressure Cookers and Cookware category on the one hand and Stoves & Kitchen Electrical appliances category on the other. The proportion of imported finished goods also has an influence on the margins especially when there are abnormal swings in exchange rates. Thus various operating ratios are unique to your Company and are not strictly comparable to other players whose composition of business may not be similar to your Company. Further based on category mix and seasonal brand/sales promotion activities, the margins will vary from quarter to quarter. As a policy your Company passes increase in input costs to the market save for the lag involved due to pipe line inventory and other related factors.

- Your company has also been investing in human resource taking into account the requirements of the ongoing expansion of capacities. The above margin achievement is after absorbing such increased overheads.
- The interest cost during the year was ₹ 14.26 crores (PY ₹ 6.41 crores) on account of borrowings resorted to fund the expansion requirements.
- Own manufactured and domestically sourced products contributed to 66% of the turnover as against 62% in the previous year. The imported products contributed to 34% of the turnover as against 38% in the previous year. This composition also influences the margin as well as working capital investments.
- Your Company continues to maintain strict control over working capital. Your Company continues to raise significant operating free cash flows which enable your Company to fund the various capital expenditure programmes without resorting to high gearing. The Debt: Equity ratio is not significant.
- During the year under report your Company introduced around 110 new SKUs covering Pressure Cookers, Induction Cook Tops, Mixer Grinders, Rice Cookers, Gas Stoves and other small electric appliances.
- Your company continues to consolidate and expand Prestige Smart Kitchen retail network. Your company extended its coverage to another 46 towns. The net addition to the number of stores was 79. The number of outlets as at 31.3.2013 was 433. The network now covers 21 States and 225 towns. The spread of the network is also evenly distributed between Metros, Mini-Metros, Tier 1, Tier 2 and Tier 3 cities. About 69% of the Stores are located in South and the balance in Non-South.

**2. Properties & Investment :**

The shareholders are aware that pursuant to shifting of factory operations to other places, the land at Dooravaninagar Bengaluru became surplus and it was decided to develop the same instead of selling it outright. The company has handed over the development to Rajmata Realtors (Salarpuria) for developing an office cum residential complex. The Developers have informed us that the project is progressing satisfactorily and would be completed by end of calendar year 2014. Your Company's inflows from this activity will consist of one time sale proceeds of residential allocation to which your Company is entitled as well as rentals from lease of office space allocated to your Company. The cash inflows are expected to materialize during FY 2014-15.

**D. OUTLOOK**

As mentioned in the earlier part of this report, the general economic scenario is clouded by several factors comprising of global recession, poor monsoon and power, infrastructure and so on. The rate of growth in the domestic economy has been continuously falling over the last three years. There does exist uncertainty over the spending power of the

# TTK Prestige Limited

consumer in the immediate future on account of inflation. However it is expected that the economy would get into growth mode from July/August 2013 based on the progress of monsoon. The various power projects in Tamil Nadu are also expected to come into stream during the second quarter of current fiscal. Under the circumstances your Company expects to register reasonable growth from the second quarter onwards.

Your Company has already taken significant initiatives for indigenizing manufacture/assembly of certain key products both in Cookware and Appliance Categories which will reduce dependence on imports of fully finished goods and have favourable influence on transaction costs and working capital investments.

## E. 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 center on external factors.

Your Company is continuously improving its efficiencies and is hopeful of dealing with the various challenges described in the preceding sections. Your company will not compromise on the objective of growth and improving market share for the sake of short-term profits.

## F. RISK MANAGEMENT

Your Company has a risk identification and management frame work appropriate to the size of your Company and the environment under which it operates.

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 frame work.

Your company has engaged 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.

## G. FINANCES

Your Company continues to generate substantial post-tax operating free cash flows. Your company also availed credit lines from banks in order to fund the growth and expansion of your Company. The outstanding borrowing as on 31.3.2013 was around ₹ 115 crores.

## H. INVESTMENTS

There are no changes in the investments of the company. Pursuant to the sanction of the Scheme of Amalgamation, the investments in the shares of M/s. Prestige Housewares India Limited, to the tune of ₹ 37.38 lakhs stood cancelled.

## I. INTERNAL CONTROL SYSTEMS

Your Company is continuously making improvements in internal control systems commensurate with the increasing operations. Independent team of Internal Auditors/ Management Auditors are carrying out internal audits and advising the management on strengthening of internal control systems including risk management.

## J. DEVELOPMENTS IN HUMAN RESOURCES

Having due regard to the long-range plan, your Company has initiated all round HR development activities including improved organisation structure and leadership development. Your Company has engaged the services of Aon Hewitt, a world renowned consulting firm for this purpose.

The direct employment strength stood at 1306 as compared to 1141 in the previous year.

Your Company continues to have cordial industrial relations in all its manufacturing units.

## CAPITAL EXPENDITURE & EXPANSION PLANS

As already reported your company has completed most of its capital expenditure investments in Uttarakhand, Coimbatore and Hosur units. All these facilities are delivering good volume of commercial production.

The installation of plant in Gujarat is in advanced stage and the facility is expected to commence production during the second half of FY 2013-14. Though the commissioning is delayed, there is no cost overrun.

The overall capital expenditure plan (other than normal capital expenditure) for the three years commencing April 2010 is pegged at around ₹ 325 crores out of which around ₹ 275 crores has been incurred till 31<sup>st</sup> March 2013 and the balance will be incurred during the financial year 2013-14. With this, your Company would have installed sufficient capacities for Pressure Cookers and Cookware to meet the long-term requirements and would have also created facilities for assembly of appliances.

## SCHEMES OF ARRANGEMENT:

1. Under the Scheme of Amalgamation with M/s. Prestige Housewares India Limited (PHIL) sanctioned by the Honourable Madras High Court at Madras during the year under report your Company allotted 20106 equity shares of ₹ 10/- each to the shareholders of PHIL. The appointed date of the Scheme being 1.4.2011, the previous year figures have been suitably adjusted in the Annual Report.
2. During November 2012 the Board of Directors of your Company approved a Scheme of Arrangement (Demerger) whereby the Kitchen Appliances Division of M/s Triveni Bialetti Industries Private Limited (TBI), (a subsidiary of M/s. Bialetti Industries SpA, Italy) with all its assets, rights, liabilities, obligations, benefits under tax laws etc., will be vested in your Company, the Appointed Date being 1<sup>st</sup> April 2012. The Scheme has been approved by the Stock

Exchanges but further approvals are required including those of Shareholders and Bombay and Madras High Courts. On final sanction of the Scheme by the High Courts, books of accounts will be updated in accordance with the applicable practices.

TBI, which has its manufacturing base in Maharashtra, is contract manufacturing certain products for your Company.

**DIRECTORS**

Mr. Ajay I Thakore, Dr. (Mrs.) Vandana Walvekar and Mr. K. Shankaran retire by rotation and are eligible for re-election. The information on these retiring Directors is provided in the Notice calling the Annual General Meeting.

The Board of Directors at their meeting held on 16<sup>th</sup> May 2013 re-appointed Mr. T.T. Jagannathan as Executive Chairman for a further period of five years from 1.7.2013 on revised terms of remuneration as recommended by the Remuneration Committee. The requisite resolution seeking the approval of the Shareholders is included in the Notice calling the Annual General Meeting.

**FIXED DEPOSIT**

The Public Deposits aggregated to ₹201.14 lakhs as on 31<sup>st</sup> March 2013. There were no unclaimed deposits which remained unpaid as on that date.

**DIVIDEND**

Your directors recommend payment of a dividend of ₹ 17.50 per share for the year as compared to ₹ 15 per share declared for the previous year.

**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 taking into account all relevant factors before taking any investment decision.

**CORPORATE GOVERNANCE**

Report on Corporate Governance is separately presented as part of the Annual Report. Management Discussion and Analysis is included in this Directors' Report in the preceding sections.

**EMPLOYEES**

The particulars as required under Sec.217 (2A) of the Companies Act, 1956 are given in the Annexure to this report.

**AUDITORS**

M/s. S.Viswanathan, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment as statutory auditors of the Company.

**COST AUDITOR**

In conformity with the directives of the Central Government, your Board of Directors has appointed Sri. V. Kalyanaraman, Cost Accountant, No.4 Second Street, North Gopalapuram, Chennai 600 086, as the Cost Auditor under Section 233B of the Companies Act, 1956, for the audit of cost accounts for Aluminium, Stainless Steel Pressure Cookers, Non-stick Cookware for the year ended 31.3.2013. The cost audit report for the year ended 31.3.2013 will be filed on or before 30.9.2013.

**LISTING**

Your Company's shares are listed in the Bombay Stock Exchange and National Stock Exchange and the listing fees for these two exchanges have been paid.

**FOREIGN EXCHANGE EARNINGS**

The details of foreign exchange earnings and outflow are given in the annexure to this Report.

**CONSERVATION OF ENERGY AND RESEARCH AND DEVELOPMENT**

The measures related to conservation of energy, etc., are covered in the annexure to this Report pursuant to Section 217(1) (e) of the Companies Act, 1956.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Sec 217(2AA) of the Companies Act, 1956 your Directors confirm

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
2. 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;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that they have prepared the annual accounts on a going concern basis.

**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.

For and on behalf of the Board

**(T.T. JAGANNATHAN)**  
Chairman

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

Place : Bengaluru  
Dated : 16<sup>th</sup> May, 2013

# TTK Prestige Limited

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 for the year ended 31<sup>st</sup> March 2013.

- A. CONSERVATION OF ENERGY AS PER FORM A - Not Applicable.
- B. PARTICULARS AS PER FORM B – RESEARCH & DEVELOPMENT
1. Constant efforts are made to improve the quality of the product and upgrade the Manufacturing Process of all the products of the Company. During the year your Company has filed one patent and two design applications.
  2. During the year your Company has received product patent for Microwave Pressure Cookers from USA, Canada and Japan.
  3. Your Company's R&D Centre at Hosur has received recognition from the Department of Science and Technology which will enable your Company to avail certain benefits under Direct and Indirect tax laws subject to prescribed conditions.
- C. FOREIGN EXCHANGE EARNINGS & OUTFLOW
- |                                     |   |                  |
|-------------------------------------|---|------------------|
| 1) Inflow Export of Goods (FOB)     | - | ₹ 6520.55 Lakhs  |
| 2) Outflow Import of Goods & Others | - | ₹ 25955.56 Lakhs |

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

For and on behalf of the Board

**(T.T. JAGANNATHAN)**  
Chairman

Place : Bengaluru  
Dated : 16<sup>th</sup> May, 2013

## ANNEXURE TO THE DIRECTORS REPORT 2012-13

## Particulars of Employees

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2013

Name	Designation	Qualification	Experi- ence in years	Remune- ration ₹	Age	Commence- ment of Employment	Particulars of last employment
T.T. Jagannathan *	Chairman	B. Tech (IIT, Madras M.S. (Operations Research) Cornell University, Newyork	42	98662691	64	01/01/1975	G.M., T T Maps & Publications Ltd.,
S. Ravichandran *	Managing Director	B.Tech., P.G.D.B.A	40	25270189	61	05/02/1997	President Maxworth Orchards (India) Ltd., Chennai
K. Shankaran	Director & Secretary	B.Com., AICWA FCS, MAC	38	19227207	59	09/10/1990	Secretary Spencer & Co., Limited, Chennai
M. Chandru Kalro	Chief Operating Officer	B.E	27	13640405	49	29/03/1993	Asst Manager (Marketing) BPL India Limited
H.T. Rajan	Chief Manufacturing Officer	B.Tech, MBA	31	10496968	54	16/07/2010	Managing Director TTK -LIG Limited

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

None of the employees excepting Mr. T.T. Jagannathan is a relative of any of the Directors. Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan, Director and husband of Dr. (Mrs.) Latha Jagannathan, Director.

\* Term of employment is contractual

For and on behalf of the Board

**(T.T. JAGANNATHAN)**  
Chairman

Place : Bengaluru

Date : 16<sup>th</sup> May, 2013

## REPORT ON CORPORATE GOVERNANCE

### 1. Philosophy

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

The Board consists of 10 Directors. The composition of the Board conforms to the Listing Agreement as per the details given below:

Category	Name of the Director
Promoter /Executive Director	Mr. T.T. Jagannathan Executive Chairman
Promoter/Non-Executive Directors	Mr. T.T. Raghunathan Dr. (Mrs.) Latha Jagannathan
Non-Promoter/ Executive Directors	Mr. S. Ravichandran (Managing Director) Mr. K. Shankaran (Director & whole-time Secretary)
Non-Executive Independent Directors	Mr. Ajay I Thakore Mr. R. Srinivasan Dr. (Mrs.) Vandana Walvekar Mr. Dileep K. Krishnaswamy Mr. Arun K. Thiagarajan

Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan  
Dr. (Mrs.) Latha Jagannathan is the wife of Mr. T.T. Jagannathan.

### 3. Board Meetings, Attendance and other directorships

The company held 5 Board meetings during the period 1-4-2012 to 31.3.2013. The dates of the meetings are 4<sup>th</sup> May 2012, 2<sup>nd</sup> July, 2012, 8<sup>th</sup> July 2012, 12<sup>th</sup> October 2012 & 16<sup>th</sup> January, 2013. The attendance particulars are as follows:

Name of the Director	Attendance Particulars		No. of other directorships and committee membership/ chairmanship		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. T.T. Jagannathan	6	Yes	5*	-	-
Mr. T.T. Raghunathan	3	No	4	-	-
Dr. (Mrs.) Latha Jagannathan	6	Yes	1	-	-
Mr. Ajay I Thakore	2	No	-	-	-
Mr. R. Srinivasan	6	Yes	9	6	3
Dr. (Mrs.) Vandana Walvekar	3	No	-	-	-
Mr. S. Ravichandran	6	Yes	1*	-	-
Mr. K. Shankaran	6	Yes	2*	3	-
Mr. Dileep K. Krishnaswamy	6	Yes	-	-	-
Mr. Arun K. Thiagarajan	6	Yes	5	6	-

Other directorship does not include private companies.

\* includes directorship of one overseas body corporate.

**4. Audit committee :**

The Company has complied with the requirements of Clause 49 of the Listing Agreement of the Stock Exchange and Section 292A of the Companies Act, 1956 as regards composition of Audit Committee.

The Audit Committee consists of four Non-executive Independent Directors. The Committee has held four meetings during the financial year 2012-13 i.e., 4<sup>th</sup> May 2012, 6<sup>th</sup> July, 2012, 12<sup>th</sup> October 2012 and 16<sup>th</sup> January, 2013. The Composition of the Audit Committee as on 31<sup>st</sup> March 2013 and the attendance of members at the meetings of the Audit Committee held during the financial year 2012-13 are as follows:

Members of the Audit Committee	No. of meetings attended
Mr. Ajay I Thakore	2
Dr. (Mrs.) Vandana Walvekar	3
Mr. R. Srinivasan	4
Mr. Dileep K. Krishnaswamy(Chairman)	4
Mr. Arun K. Thiagarajan*	1

\* Mr. Arun K. Thiagarajan was co-opted into the Audit Committee on 12<sup>th</sup> October 2012.

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

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly / half yearly / annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees, appointment of CFO reviewing the significant internal audit findings/ related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations and also statutory compliance issues. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Committee has discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee has also discussed major issues related to risk management and compliances.

In addition, the Committee has discharged such other role / function as envisaged under Clause 49 of the Listing Agreement of the Stock Exchange and the provisions of Section 292A of the Companies Act, 1956.

**5. Remuneration Committee:**

The Remuneration Committee consists of three Non-executive Independent Directors namely, Mr. Ajay I Thakore as Chairman and Dr. (Mrs.) Vandana R. Walvekar & Mr.R. Srinivasan as Members of the Committee.

The role of the Remuneration Committee is to recommend to the Board, the remuneration package of the Executive Directors. Remuneration of Executive Directors is governed by the external competitive environment, track record, potential and performance of the executive and performance of the Company.

The Company has a credible and transparent Policy in determining and accounting for the remuneration of the Executive / Non-executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the Members.

The Board shall from time to time provide requisite guidelines / scope of work for the Remuneration Committee and the Committee will discharge such other functions as are required under the provisions of the Listing Agreement and the Companies Act, 1956.

The committee met once during the year.

**6. Directors' Remuneration**

The details of remuneration paid to whole-time directors for the year 2012-13 are as follows:

Name/Designation	Salary	HRA and other allowances	Contribution to PF and other funds	Performance Bonus Commission	Total	Tenure of appointment
	₹	₹	₹	₹	₹	
T.T. Jagannathan Executive Chairman	2400000	1910816	518320	93833555	98662691	5 years from 1st July 2013.
S. Ravichandran Managing Director	2400000	2619331	518320	19732538	25270189	From 5th Feb 2012 to 31.3.2015

The Managerial remuneration paid to the Whole time Directors is within the ceiling prescribed under Schedule XIII to the Companies Act, 1956.

# TTK Prestige Limited

The Company currently does not have Stock Option Schemes.

The company paid sitting fees of ₹ 20,000/- per meeting of the Board/Committee, attended to each of the non-executive directors during the year 2012-13. No other payment is made to the Non-executive Directors.

## 7. Shareholders'/Investors' Grievance Committee

This committee consists of Mr. T.T. Jagannathan, Mr. S Ravichandran, Dr. (Mrs.) Latha Jagannathan and Mr. K. Shankaran. This committee is chaired by Dr. (Mrs.) Latha Jagannathan, a non-executive director. The committee's scope includes issue of duplicate share certificates, overseeing of process of redressal of investor grievances and the performance of the Registrars and Share Transfer Agents. The power to approve share transfers is delegated to Mr. K. Shankaran, Director and a few other executives of the company. Share transfers are approved on a weekly basis.

The Board has designated Mr. K. Shankaran, Director and Company Secretary, as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review, was 92. No requests for dematerialization were pending for approval as on 31st March, 2013.

The committee met once during the year.

## 8. Particulars of Directors appointed/re-appointed.

### a. Mr. Ajay I Thakore

Mr. Ajay I Thakore retires by rotation and is eligible for re-election.

Mr. Ajay I Thakore is a Chartered Accountant and a practising Advocate & tax consultant. He has been on the Board of the company since 1974.

He is the Chairman of Chandramouli Holding & Leasing (P) Ltd and Ardheesh Chemicals Pvt. Ltd.

Mr. Ajay I Thakore is a member of Audit Committee and Remuneration Committee of the Company.

He holds 672 shares in the Company.

### b. Dr. (Mrs.) Vandana Walvekar

Dr. (Mrs.) Vandana Walvekar retires by rotation and is eligible for re-election.

Dr. (Mrs.) Vandana Walvekar is a Gynaecologist. She has been on the Board of the Company since 1975.

She is a member of Audit Committee & Remuneration Committee of the Company.

She holds 672 shares in the Company.

### c. Mr. K. Shankaran

Mr. K. Shankaran retires by rotation and is eligible for re-election.

Mr. K. Shankaran is a qualified Cost & Management Accountant and Company Secretary. He has been the whole time Secretary of the Company since 1990. He was inducted into your Board from 1993.

Mr. K. Shankaran is also on the Board of TTK Healthcare Limited, TTK Healthcare TPA (P) Limited, TTK Services (P) Limited and TTK Property Services (P) Ltd

He is a member of Shareholders'/Investor Grievance Committee, Remuneration Committee and Audit Committee of TTK Healthcare Limited.

He holds 1100 shares in the Company.

## 9. General Body Meetings

Location and time for last 3 General Meetings were:

Year	Location	Date	Time	No. of spl. resolutions passed
2009-10	Ashok Leyland Management Convention Centre, Hosur	29.6.2010	11.30 a.m.	Nil
2010-11	Ashok Leyland Management Convention Centre, Hosur	15.7.2011	12.00 Noon	Nil
2011-12	Plot No.38, SIPCOT Industrial complex, Hosur	24.12.2011 (Court convened meeting)	-	1
	Rennaissance Sarovar Portico, No.422, SIPCOT Phase II, Bengaluru Road, Hosur - 635 109	2.7.2012	10.15 a.m.	Nil

**10. 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 potential conflict with the interests of the Company. The Register of Contracts containing transactions, in which directors are interested, is placed before the Board regularly.

**(b) 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. Hence, the question of penalties or strictures being imposed by SEBI, the Stock Exchanges or any statutory authorities does not arise.

**(c) Whistle Blower Policy**

The Company does not have a formal whistle blower policy. However, access to Audit Committee is made available to every employee.

**(d) 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, 1992 as amended, the Company has adopted a modified Code of Conduct for prevention of Insider Trading with effect from 29th January 2008, modified from time to time. This Code of Conduct is applicable to all Directors and such designated employees of the company who are expected to have access to unpublished price sensitive information relating to the company.

**(e) The details of compliance with Mandatory / Non Mandatory requirements :**

The Company has complied with all the mandatory requirements of the Corporate Governance Code including Board Composition, Audit Committee, Share Holders Grievance Committee, Disclosures to be made to the Board and Audit Committee including related party transactions, Accounting treatments, Risk Management etc.

With respect to Non-mandatory requirements, the Company has a Remuneration Committee in place and has no qualifications in the Auditors Report.

**11. Means of Communication**

While the Annual Report is sent to household address of shareholders, quarterly results are published in leading newspapers and are also published on Company's website [www.ttkprestige.com](http://www.ttkprestige.com).

All other communications of the company related to the developments of the company are communicated to Stock Exchanges, Press and also published on the website of the company. Presentations, if any, made at Analysis Meets are displayed on the Company's website.

Management Discussion and Analysis Report is separately provided in this Annual Report as part of Directors' Report.

**12. General Shareholder Information :****a. - Date, Time and Venue of Annual General Meeting**

- Date and Time	15 <sup>th</sup> July 2013, 10.15 a.m.
- Venue	Rennaissance Sarovar Portico, No. 422, SIPCOT Phase II, Bengaluru Road, Hosur - 635109.

**b. Financial Calendar**

Annual General Meeting	15 <sup>th</sup> July 2013
Quarterly Results - 30.6.2013	Second week of July, 2013
Quarterly Results - 30.9.2013	Last week of October, 2013
Quarterly Results - 31.12.2013	Last week of January, 2014
Quarterly Audited/Annual Results - 31.3.2014	Last week of May, 2014

**c. Book Closure date**

**5.7.2013 to 8.7.2013 for AGM (Both days inclusive)**

**d. Dividend payment date**

The dividend will be paid on 30th July 2013

**e. Listing of Equity Shares on the Stock Exchanges at**

Your Company's shares are listed in Mumbai Stock Exchange and National Stock Exchange and the annual listing fees for these two stock exchanges have already been paid.

# TTK Prestige Limited

## f. Stock Code

Trading Symbol & Code

Mumbai Stock Exchange

National Stock Exchange

- TTK PRESTIGE - 517506

- TTKPRESTIG - EQ

## g. Demat ISIN Numbers in NSDL & CDSL

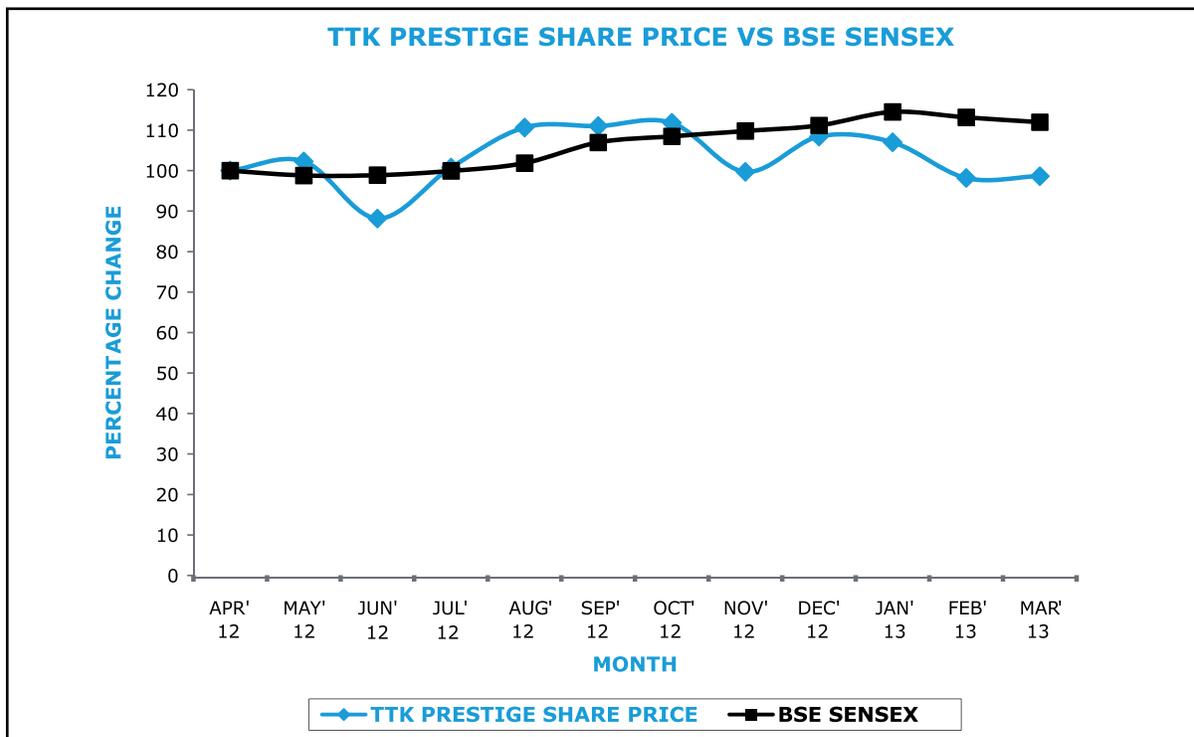
- INE690A01010

## h. Stock Market Data

Month	NATIONAL STOCK EXCHANGE			MUMBAI STOCK EXCHANGE		
	High	Low	Volume	High	Low	Volume
Apr 2012	3595.00	2910.05	2954614	3573.70	2900.00	794642
May 2012	3658.90	2775.55	3245543	3655.00	2775.65	798620
Jun 2012	3154.90	2642.55	2233797	3150.50	2650.00	494165
Jul 2012	3674.00	3084.75	2422420	3600.05	3068.00	510742
Aug 2012	3940.00	3123.15	2054625	3954.40	3120.50	386228
Sept 2012	3998.90	3140.00	2332732	3967.00	3165.00	462905
Oct 2012	3853.80	2982.00	2265473	3996.00	2981.10	605756
Nov 2012	3565.00	3190.00	1168504	3563.00	3200.05	295881
Dec 2012	3872.95	3231.10	905334	3874.85	3240.00	218410
Jan 2013	3977.00	3180.00	1830108	3824.00	3177.20	421474
Feb 2013	4100.00	3200.00	407321	3508.65	3270.10	111545
Mar 2013	3517.00	3100.90	466068	3525.00	3111.05	93781

## i) Stock Performance Vs BSE Sensex:

Month	TTK Share Price	% Change to Base	BSE Sensex	% Change to Base
	High		High	
Apr 2012	3573.70	-	17644.10	-
May 2012	3655.00	2%	17432.33	-1%
Jun 2012	3150.50	-12%	17448.48	-1%
Jul 2012	3600.05	1%	17631.19	0%
Aug 2012	3954.40	11%	17972.54	2%
Sept 2012	3967.00	11%	18869.94	7%
Oct 2012	3996.00	12%	19137.29	8%
Nov 2012	3563.00	0%	19372.70	10%
Dec 2012	3874.85	8%	19612.18	11%
Jan 2013	3824.00	7%	20203.66	15%
Feb 2013	3508.65	-2%	19966.69	13%
Mar 2013	3525.00	-1%	19754.66	12%



**j. Registrars & Transfer Agents:**

Share transfer and communication regarding share certificates, dividends and change of address Karvy Computershare (P) Limited  
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.

**k. 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.

**l. Shareholding Pattern as on 31<sup>st</sup> March, 2013:**

CATEGORY		NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
<b>A.</b>	<b>Promoter's holding*</b> Promoters & their relatives	8501271	74.96
<b>B</b>	<b>Non-Promoters Holding</b>		
1.	INSTITUTIONAL INVESTORS		
	Mutual Funds	601031	5.30
	Financial Institutions/Banks	350	0.00
	FIIIs	1006124	8.87
2.	OTHERS		
	a. Private Corporate Bodies	124530	1.10
	b. Indian Public	1010745	8.91
	c. NRIs**	39246	0.35
	d. Any Other (please specify) Clearing Members Directors/Relatives/Associates (Independent and not in control of the company)	49949 7944	0.44 0.07
<b>GRAND TOTAL</b>		<b>11341190#</b>	<b>100.00%</b>

\* 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 issued capital of the company is 11368490. We have forfeited 28600 shares in December 2008. We have annulled 1300 shares so far. 20106 shares were allotted pursuant to Scheme of Amalgamation.

**m. Distribution of Shareholding as on 31<sup>st</sup> March 2013 :**

Category (Amount)	Shareholders			Shares	
	Nos.	%	Total Shares	₹	%
1 - 5000	12265	98.13	644919	6449190	5.69
5001 - 10000	98	0.78	77104	771040	0.68
10001 - 20000	43	0.34	64295	642950	0.57
20001 - 30000	18	0.14	43403	434030	0.38
30001 - 40000	7	0.06	25268	252680	0.22
40001 - 50000	5	0.04	22424	224240	0.20
50001 - 100000	14	0.11	106280	1062800	0.94
100001 & Above	49	0.40	10357497	103574970	91.32
<b>Total</b>	<b>12499</b>	<b>100</b>	<b>11341190</b>	<b>113411900</b>	<b>100.00</b>

**n. Dematerialisation of Shares and Liquidity as on 31<sup>st</sup> March, 2013 :**

	No. of Shareholders	No. of Shares	% of Shares
No. of Shareholders in Physical Mode	2147	275380	2.43
No. of Shareholders in Electronic Mode	10352	11065810	97.57
<b>Total</b>	<b>12499</b>	<b>11341190</b>	<b>100.00</b>

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

## TTK Prestige Limited

	National Securities Depository Limited (NSDL)		Central Depository Services (I) Limited (CDSL)	
	2012-13	2011-12	2012-13	2011-12
Number of Shares Dematerialised	16615	7944015	6900	305901
Number of Shares Rematerialised	NIL	NIL	1	NIL

- o. Outstanding GDRs / ADRs/ Warrants or any convertible Instruments** The Company has not issued any GDRs/ADRs/ Warrants & Convertible instruments.
- p. Plant Locations** Plot Nos. 82 & 85, Sipcot Industrial Complex, Hosur – 635 126, Tamilnadu  
Plot No.38, Sipcot Industrial Complex, Hosur – 635 126, Tamilnadu  
Myleripalayam Village, Kovai Terku Coimbatore, Tamilnadu – 641 032.  
Plot No.1A&2, Dev Bhoomi Industrial Estate, Roorkee, Uttarakhand – 247 667
- q. Registered Office** Plot No.38, Sipcot Industrial Complex, Hosur – 635 126, Tamilnadu (During March 2009 the Registered Office was shifted from Bengaluru, Karnataka to Hosur, Tamilnadu)
- r. 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 Protective Devices Limited
  - TTK Healthcare TPA (P) Ltd
  - TTK Services (P) Limited
  - TTK Tantex Limited
  - Cable & Wireless Networks India (P) Limited
  - Packwell Packaging Products Limited
  - Pharma Research & Analytical Laboratories
  - Peenya Packaging Products
  - Mantra Inc.

### 13. DECLARATION/ CERTIFICATION

- a. **CODE OF CONDUCT** : The Board has laid down a Code of Conduct applicable to all the Directors and Senior Managers of the Company. Necessary certification to this effect is appended to this Corporate Governance Report.
- b. **CEO / CFO Certification** : As per requirements of Corporate Governance Code, 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 2013.

### Declaration by Managing Director on Code of Conduct

I, S. Ravichandran, Managing Director of TTK Prestige Limited, do hereby declare that a formal code of Conduct has been laid down by the Board of Directors of TTK Prestige Ltd., which has been made applicable to all the Directors and Senior Managers of the Company. The Code of Conduct has been affirmed to by all the Directors and Senior Managers of the Company. The said code of conduct has been posted on the Website of the Company [www.ttkprestige.com](http://www.ttkprestige.com)

Place : Bengaluru  
Date : 16<sup>th</sup> May, 2013

**S. RAVICHANDRAN**  
Managing Director

**Auditors' Certificate on Compliance of Conditions of  
Corporate Governance under Clause 49 of the Listing Agreement**

**To the Members of TTK Prestige Limited**

We have examined the compliance of conditions of Corporate Governance by TTK Prestige Limited, for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2013, no investor grievances are pending against the Company exceeding one month as per records maintained by the Company which are presented to the Shareholders/ Investors Grievance Committee.

We further 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.

For **M/s S VISWANATHAN**  
Chartered Accountants  
REG. No. 004770S

**C N SRINIVASAN**  
Partner  
Membership No. 18205

Place : Bengaluru  
Date : 16<sup>th</sup> May, 2013

# TTK Prestige Limited

## Independent Auditor's Report

To the Members of TTK Prestige Limited.

### Report on Financial Statements

We have audited the accompanying financial statements of TTK Prestige Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of matter:

The scheme of Amalgamation with Prestige Housewares India Limited (PHIL) sanctioned by the Honourable Madras High Court at Madras during the year under report which the Company allotted 20106 equity shares of ₹ 10 each to shareholders of PHIL. The appointed date of the scheme being 01-04-2011, the previous year figures have been suitably adjusted in the Annual Report. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **M/s S. VISWANATHAN**  
Chartered Accountants  
REG. No. 004770S

**C. N. SRINIVASAN**  
Partner  
Membership No.18205

Place : Bengaluru  
Date : May 16, 2013

The Annexure referred to in our report to members of TTK Prestige Limited ('the Company') for the year ended 31<sup>st</sup> March 2013, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to information and explanation given to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (e) The company has taken loans from four parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 50 Lakhs and the year-end balance of the loans taken from such parties was ₹ 50 Lakhs.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under Section 301 of the Companies Act, 1956 and are not, prima facie prejudicial to the interest of the company.
- (g) There is no overdue amount of loans and interest taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register under section 301 of the Companies Act, 1956 have so been entered
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under in respect of the deposits accepted from the public. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
- (vii) In our opinion the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) The Central Government has prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for Aluminium, Stainless Steel Pressure Cookers and Non-stick Cookware manufactured by the Company. In our opinion and according to information given to us such accounts and records have been maintained by the Company.
- (ix) a) According to information and explanation given to us and according to the books and records produced and examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as mentioned above as at 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.

## TTK Prestige Limited

(b) According to the information and explanations given to us, the following are the details of the disputed Income Tax, Customs Duty, Service Tax, Sales Tax and Excise Duty that was not paid to the concerned authorities.

Nature of Demand	Amount ₹ in Lakhs	Forum where the dispute is pending
1. Sales Tax	425.35	Kerala High Court
2. Sales Tax	220.14	Karnataka High Court
3. Sales Tax	22.21	Joint Commissioner of Commercial Tax
4. Sales Tax	18.92	Sales Tax Appellate Tribunal

- (x) The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (xiv) In our opinion and according the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- (xvi) According to the information and explanations given to us and the records examined by us, on an overall basis, the term loan obtained by the Company was applied for the purpose for which the loan was obtained.
- (xvii) Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion there are no funds raised on a short-term basis which have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to any party or companies covered in the register maintained under section 301 of the Companies Act, 1956. However, under the scheme of amalgamation, 20,106 shares of ₹ 10 each have been allotted to certain parties covered under Section 301 of Companies Act, 1956, being the shareholders of Prestige Housewares India Limited. The price at which the shares are issued is not prejudicial to the interest of the company
- (xix) The Company has no outstanding debentures during the period under audit.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to information and explanation given to us, no fraud by the company has been noticed or reported during the year; as for the fraud on the Company, one instance of misappropriation by an employee involving an amount of around ₹ 1.19 cr has been reported. Substantial portion of this amount has been recovered and the balance is secured by assets. Appropriate action has been taken against the employee.

For **M/s. S. VISWANATHAN**  
Chartered Accountants  
REG. No. 004770S

**C. N. SRINIVASAN**  
Partner  
Membership No.18205

Place : Bengaluru  
Date : May 16, 2013

Balance Sheet as at 31<sup>st</sup> March, 2013

(₹ IN LAKHS)

Particulars	Note No	As at the end 31st March 2013	As at the end 31st March 2012
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
(a) Share Capital	2.1	1,135.48	1,133.47
(b) Reserves and Surplus	2.2	38,410.82	27,393.86
		<b>39,546.30</b>	<b>28,527.33</b>
Shares pending allotment (Pursuant to scheme of amalgamation with Prestige-Housewares India Limited)		-	2.01
Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	95.97	1,459.22
(b) Deferred Tax Liabilities (Net)	2.4	1,011.50	680.84
(c) Other Long -Term Liabilities	2.5	500.00	500.00
(d) Long-Term Provisions	2.6	782.07	952.90
		<b>2,389.54</b>	<b>3,592.96</b>
Current Liabilities			
(a) Short-Term Borrowings	2.7	11,354.54	2,161.46
(b) Trade Payables	2.8	12,332.98	8,161.02
(c) Other Current Liabilities	2.9	9,187.82	12,498.10
(d) Short-Term Provisions	2.10	4,260.56	2,269.67
		<b>37,135.90</b>	<b>25,090.25</b>
<b>TOTAL</b>		<b>79,071.74</b>	<b>57,212.55</b>
<b>ASSETS</b>			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	2.11	16,584.22	15,076.94
(ii) Intangible Assets	2.12	225.33	-
(iii) Capital Work-in-Progress	2.13	14,007.92	7,936.65
(b) Non-Current Investments	2.14	1.65	1.65
(c) Long-Term Loans and Advances	2.15	2,244.68	968.64
		<b>33,063.80</b>	<b>23,983.88</b>
Current Assets			
(a) Inventories	2.16	23,552.71	17,489.62
(b) Trade Receivables	2.17	14,320.70	10,603.71
(c) Cash and Cash Equivalents	2.18	3,255.07	2,275.82
(d) Short-Term Loans and Advances	2.19	4,729.48	2,814.20
(e) Other Current Assets	2.20	149.98	45.32
		<b>46,007.94</b>	<b>33,228.67</b>
<b>TOTAL</b>		<b>79,071.74</b>	<b>57,212.55</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	<b>1 &amp; 2</b>		

As per our report attached  
For **Messrs. S. VISWANATHAN**  
Chartered Accountants  
Firm's Registration Number : 004770S

**C.N. SRINIVASAN**  
Partner  
Membership No. 18205

Bengaluru  
May 16, 2013

**For and on behalf of the Board**

**T.T. Jagannathan**  
Executive Chairman

**S. Ravichandran**  
Managing Director

**Dileep K. Krishnaswamy**  
Director

**K. Shankaran**  
Director & Secretary

**V. Sundaresan**  
Chief Financial Officer

# TTK Prestige Limited

## Profit and loss statement for the year ended 31<sup>st</sup> March, 2013

(₹ IN LAKHS)

Particulars	Note No.	For the year ended 31.03.2013		For the year ended 31.03.2012	
<b>1. Revenue from Operations</b>					
(a) Sale of Products		137,767.07		111,625.63	
(b) Other Operating Revenues:					
Sale of Scrap		821.93	138,589.00	645.54	112,271.17
Less :					
(c) Excise Duty			2,740.61		1,927.54
			<b>135,848.39</b>		<b>110,343.63</b>
<b>2. Other Income</b>	<b>2.21</b>		<b>473.23</b>		<b>448.14</b>
<b>3. Total Revenue (1 + 2)</b>			<b>136,321.62</b>		<b>110,791.77</b>
<b>4. Expenses:</b>					
a) Cost of Materials Consumed		36,694.66		24,656.99	
b) Purchase of Stock - in - Trade		45,790.78		42,683.93	
c) Changes in Inventory of:					
(i) Work in Progress		(130.35)		(178.68)	
(ii) Finished Goods		(4,121.76)		(1,498.35)	
(iii) Stock in Trade		(576.69)		(3,874.27)	
		(4,828.80)	77,656.64	(5,551.30)	61,789.62
d) Employee Benefits Expense	<b>2.22</b>		8,358.04		7,299.22
e) Finance Costs	<b>2.23</b>		1,426.53		641.15
f) Depreciation and Amortization Expense	<b>2.11 &amp; 2.12</b>		899.02		624.98
g) Other Expenses	<b>2.24</b>		29,460.92		24,110.88
<b>Total expenses</b>			<b>117,801.15</b>		<b>94,465.85</b>
<b>5. Profit before Exceptional and Extraordinary items and tax (3-4)</b>			<b>18,520.47</b>		<b>16,325.92</b>
<b>6. Exceptional Items</b>			-		-
<b>7. Profit Before Extraordinary Items and Tax (5-6)</b>			<b>18,520.47</b>		<b>16,325.92</b>
<b>8. Extraordinary Items</b>			-		-
<b>9. Profit Before Tax (7-8)</b>			<b>18,520.47</b>		<b>16,325.92</b>
<b>10. Tax expense:</b>					
(1) Current Tax		4,880.84		4,633.13	
(2) Deferred Tax		330.66	5,211.50	355.02	4,988.15
<b>11. Profit After Tax (9-10)</b>			<b>13,308.97</b>		<b>11,337.77</b>
<b>12. Earnings per Equity Share: (in Rupees)</b>					
(1) Basic			117.35		99.97
(2) Diluted			117.35		99.97

<b>Significant Accounting Policies and Notes on Accounts</b>	<b>1 &amp; 2</b>	
As per our report attached For <b>Messrs. S. VISWANATHAN</b> Chartered Accountants Firm's Registration Number : 004770S  <b>C.N. SRINIVASAN</b> Partner Membership No. 18205 Bengaluru May 16, 2013	<b>For and on behalf of the Board</b>  <b>T.T. Jagannathan</b> Executive Chairman  <b>Dileep K. Krishnaswamy</b> Director  <b>V. Sundaresan</b> Chief Financial Officer	<b>S. Ravichandran</b> Managing Director  <b>K. Shankaran</b> Director & Secretary

Cash flow Statement for the year ended 31<sup>st</sup> March, 2013

(As per Accounting Standard AS(3) issued by the Institute of Chartered Accountants of India)

(₹ IN LAKHS)

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items:	18,520.47	16,325.90
Additions		
Depreciation	899.02	637.22
Profit on Sale of Assets	(3.53)	(17.37)
Interest Expenses	1,468.69	641.15
Interest, Dividend & Commission Received	(321.74)	(243.51)
Cash generated from operations before Working Capital Changes	<b>20,562.91</b>	<b>17,343.39</b>
Adjustments for:		
(Increase)/Decrease in Debtors	(3,716.99)	(3,138.42)
(Increase)/Decrease in Inventories	(6,063.09)	(6,985.32)
Increase/(Decrease) in Creditors	4,954.38	5,391.94
(Increase)/Decrease in Other Receivables	(2,769.87)	(1,739.84)
<i>Cash generated from Operations</i>	<b>12,967.34</b>	<b>10,871.75</b>
Direct Taxes Paid	<b>(3,242.02)</b>	<b>(4,681.71)</b>
<b>Net Cash Flow from Operation before extra ordinary item</b>	<b>9,725.32</b>	<b>6,190.04</b>
<b>B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Fixed Assets	(9,235.77)	(15,226.94)
Purchase of Investments	-	2,218.97
Deposits	(2.10)	0.11
Capital subsidy received	30.00	-
Interest, Dividend & Commission Received	321.74	243.51
<b>Net Cash from / (used in) Investing Activities</b>	<b>(8,886.13)</b>	<b>(12,764.35)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Refund)/Acceptance of Deposit	(16.11)	(7.31)
Increase(Decrease) in Bank Borrowings	3,586.10	5,748.58
Interest Paid	(1,468.69)	(641.15)
Dividend Paid (including dividend distribution tax)	(1,973.64)	(1,644.71)
<b>Net Cash from / (used in) Financing Activities</b>	<b>127.66</b>	<b>3,455.41</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>	<b>966.85</b>	<b>(3,118.90)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>2,208.01</b>	<b>5,286.33</b>
<b>Add:- Cash taken over on amalgamation</b>	<b>-</b>	<b>40.58</b>
<b>Cash and Cash Equivalents at the end of the year*</b>	<b>3,174.86</b>	<b>2,208.01</b>

\* Cash and cash equivalents comprise of balances in current accounts, Margin money for LC's and Cash Balances.

As per our report attached For <b>Messrs. S. VISWANATHAN</b> Chartered Accountants Firm's Registration Number : 004770S	<b>For and on behalf of the Board</b>	
<b>C.N. SRINIVASAN</b> Partner Membership No. 18205	<b>T.T. Jagannathan</b> Executive Chairman	<b>S. Ravichandran</b> Managing Director
Bengaluru May 16, 2013	<b>Dileep K. Krishnaswamy</b> Director	<b>K. Shankaran</b> Director & Secretary
	<b>V. Sundaresan</b> Chief Financial Officer	

### 1. Significant Accounting Policies and Notes on Accounts:

#### 1.1. Basis for preparation of accounts:

The Accounts have been prepared to comply in all material aspects with applicable Accounting Principles in India, the applicable Accounting Standards notified under Section 211(3C) of The Companies Act 1956 and the relevant provisions thereof. Financial Statements are prepared based on historical cost and on the basis of a going concern. The Company follows the mercantile system of Accounting and recognizes income and expenditure on an accrual basis.

#### 1.2. Fixed Assets:

Fixed Assets are stated at cost of acquisition inclusive of freight, taxes, insurance etc. relating to the acquisition including installation/erection charges up to the date the asset is put to use, as applicable.

Borrowing costs attributable to acquisition / construction or production of a qualifying asset is capitalized as a part of cost of the asset.

#### Depreciation:

The Company is providing depreciation on Written Down Value (WDV) method by adopting the rates specified in Schedule XIV of the Companies Act, 1956 in respect of all Fixed Assets capitalized up to 31st March, 1997. In respect of additions from 1st April 1997, the Company is providing depreciation by adopting Straight Line method specified in Schedule XIV of the Companies Act, 1956. ERP Software, being intangible asset is depreciated at 20% on straight line basis in line with AS 26. Depreciation on additions during the year is provided on pro-rata basis.

Leasehold land is amortized over the period of the Lease.

#### 1.3. Revenue Recognition:

Sales are stated at net of returns and, sales tax. The Excise Duty relatable to sales is separately disclosed and deducted from Sales. Sales Revenue is recognized when significant risks and rewards of ownership of the goods have passed to the buyer.

Dividend income from investments is accounted for when the right to receive the payment is established.

Interest Income is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

#### 1.4. Investments:

Investments are classified into Current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost.

#### 1.5. Impairment of Assets:

Impairment loss, if any is provided to the extent, the carrying amount of the assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

#### 1.6. Trade Receivables and Loans and advances:

Sundry Debtors and Loans and advances are stated after making adequate provisions for doubtful balances.

#### 1.7. Provisions:

A Provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the year end date. These are reviewed at each year end date and adjusted to reflect the best current estimate.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

**1.8. Retirement / Post retirement benefits:**

The Company also provides for retirement/post retirement benefits in the form of Gratuity, Pension, and Leave Encashment. Such benefits are provided for based on the valuations, as at the Balance Sheet date, made by independent actuaries. Termination benefits are recognized as an expense as and when incurred.

**1.9. Taxes on Income:**

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**1.10. Foreign Currency Transactions:**

Transactions in foreign currency are recorded at exchange rates prevailing at the time of the transactions and exchange difference arising from foreign currency transaction are dealt with in the profit and loss account and capitalized where they relate to the Fixed Assets. Current Assets and Liabilities at year end are being converted at closing rates and exchange gains /losses are dealt with in the profit and loss account, as per AS 11.

**1.11. Grant / subsidies**

Grant / subsidy received under "Central Investment Subsidy Scheme "is directly credited to capital reserve.

**1.12 Inventories**

Inventories are valued at lower of cost, computed on a weighted average basis and estimated net realizable 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.

**1.13 Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such asset. As per AS-16 "Borrowing costs", a qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All the other borrowing costs are expensed as and when incurred.

**1.14 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holders by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity share holders and weighted average number of shares outstanding during the year are adjusted for the effects of dilutive part of equity shares, if any.

**1.15 Segment Reporting**Identification of Segments

The Company has complied with AS 17 "Segment Reporting" with the business as its primary segment. The risk and awards are very similar in different geographical areas and hence there is no reportable secondary segment as defined in AS-17.

Segment Policies

(i) Revenues have been identified to segments on the basis of their relationship to the operative activities of the segment. Revenues and expenses that relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Un-allocable expenses".

(ii) Inter segment revenue and expense are eliminated.

**2.1 SHARE CAPITAL**

**(A) Authorised, Issued, Subscribed and Paid Up Share Capital**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>Authorised Share Capital:</b> 15000000 Equity Shares of ₹ 10/- each (Previous Year 15000000 Equity Shares of ₹ 10/- each)	1,500	1,500
<b>Issued and Subscribed Share Capital:</b> 11368490 Equity Shares of ₹ 10/- each (Previous Year 11348384 Equity Shares of ₹ 10/- each)	1,136.85	1,134.84
<b>Paid Up Share Capital:</b> 11341190 Equity Shares of ₹ 10 each (Previous year :11321084 shares) Add : 27300 Equity Shares Forfeited (₹ 5/- paid-up)	1,134.12 1.36 <b>1,135.48</b>	1,132.11 1.36 <b>1,133.47</b>

1. Paid Up Share Capital of 11341190 shares (Previous Year : 11321084 shares) includes 7869064 shares of ₹ 10 each allotted as Bonus Shares fully paid-up by capitalisation of reserves and 20106 shares issued to shareholders of M/s.Prestige Housewares India Limited(PHIL) consequent to merger of PHIL with TTK Prestige Limited.
2. There was no issue/buy back of shares of the nature mentioned in clause (i) of note 6A of general instructions to Schedule VI in the last five years.

**(B) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>Number of shares outstanding as at the beginning of the year</b>	<b>11321084</b>	<b>11321084</b>
Add : Number of shares issued during the year	20106	-
<b>Number of shares outstanding as at the end of the year</b>	<b>11341190</b>	<b>11321084</b>

**(C) Shares in the company held by each shareholder holding more than 5% shares**

Sl. No.	Name of the Share Holder	Number of shares held in the Company	Percentage of shares held
1	T.T. Krishnamachari & Co. represented by its partners	7168747	63.21%

**2.2 RESERVES AND SURPLUS**

Particulars	As at 31 <sup>st</sup> March 2012	Additions/ Created during the year	Deduction during the year	As at 31 <sup>st</sup> March 2013
(a) Capital Reserve (Amount received under Central Investment scheme)	43.72	30.00		73.72
(b) Securities Premium Reserve Add : Premium on Forfeited shares	592.26 10.92	- -	- -	592.26 10.92
	<b>603.18</b>	-	-	<b>603.18</b>
(c) Revaluation Reserve	214.74	-	-	214.74
(d) General Reserve	9,009.84	1,500.00	-	10,509.84
(e) Surplus in Profit & Loss Account	17,522.38	9,486.96	-	27,009.34
	<b>27,393.86</b>	<b>11,016.96</b>		<b>38,410.82</b>
Notes	<b>2013</b>		<b>2012</b>	
f) Profit for the year		13,308.97		11,337.77
Less: Dividend on Equity Shares	1,984.71		1,698.16	
Tax on Distributed Profits on Equity Shares	337.30		275.48	
Transfer to General Reserve	1,500.00	3,822.01	1,134.00	3,107.64
<b>Balance carried to balance sheet</b>		<b>9,486.96</b>		<b>8,230.13</b>

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

g)	Securities Premium Reserve includes ₹ 0.48 lakh received on account of 1200 nos forfeited shares annuled. Consequent to this, ₹ 0.48 lakh lying in share premium on forfeited shares account also added to Securities Premium Reserve account.
h)	The opening balance of Capital reserves includes an amount of ₹ 14.90 lakhs arising on account of merger of Prestige Housewares India Limited with TTK Prestige Limited.
i)	The addition to Capital Reserves represents amount received under Central Investment subsidy scheme.

**2.3 LONG TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March 2012	
<b>(a) TERM LOANS</b>				
i) Term Loan from <b>HDFC Bank</b> (secured by hypothecation of specific machineries of New project at Karjan, Gujarat). Term Loan of ₹ 1412.50 lakhs outstanding as on 31.3.2012 have been prepaid during the year, there by making the balance Zero.		-		1,412.50
<b>(b) PUBLIC DEPOSITS (Unsecured)</b>				
(i) from Directors	14.00		-	
(ii) Others	81.97	95.97	46.39	46.39
<b>(c) LONG-TERM MATURITIES OF FINANCE LEASE OBLIGATIONS</b> (Secured by Hypothecation of Motor Vehicles taken on finance)		-		0.33
<b>Total</b>		<b>95.97</b>		<b>1,459.22</b>

**2.4 DEFERRED TAX LIABILITY (NET)**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March 2012
Deferred Tax Liabilities	1,098.53	791.12
Deferred Tax Assets	(87.03)	(110.28)
Deferred Tax Liabilities (Net)	<b>1,011.50</b>	<b>680.84</b>

**2.5 OTHER LONG TERM LIABILITY**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March 2012
Property Development	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>

**2.6 LONG-TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March 2012
Provision for Employee Benefits - Gratuity/Leave Encashment	121.07	177.59
Others-Warranties	661.00	775.31
<b>Total</b>	<b>782.07</b>	<b>952.90</b>

**2.7 SHORT-TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March 2013		As at 31 <sup>st</sup> March 2012	
(A) <b>LOANS REPAYABLE ON DEMAND</b>				
i) <b>From Banks :</b>				
<b>Secured :</b>				
Cash credit from Canara Bank and Bank of Baroda, secured by equitable mortgage of Land & Buildings and hypothecation of Plant & Machinery and Current assets of the company on paripassu basis.		6,309.39		2,073.29
<b>Unsecured :</b>				
Short Term Loan from HDFC Bank		5,000.00		-
(B) <b>PUBLIC DEPOSITS (Unsecured)</b>				
(i) from Directors	-		-	
(ii) Others	45.15	45.15	88.17	88.17
<b>Total</b>		<b>11,354.54</b>		<b>2,161.46</b>

**2.8 TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
(i) Acceptances	5,144.91	3,297.81
(ii) Sundry Creditors for goods supplied/ services rendered	7,188.07	4,863.21
<b>Total</b>	<b>12,332.98</b>	<b>8,161.02</b>

**2.9 OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>Current Maturities of Long- Term Debt</b>		
- HDFC Bank	-	4,237.50
- PUBLIC DEPOSITS (Unsecured)		
(i) from Directors	28.00	42.00
(ii) Others	32.02	40.69
Current maturities of finance lease obligations	0.44	1.35
Interest accrued but not due on borrowings	50.52	28.87
Unpaid dividends / unclaimed dividends	57.61	46.41
<b>Other Payables</b>		
Payables for Capital Expenditure	243.84	865.76
<b>Accrued Salaries and Incentives</b>		
Salaries and Benefits	150.16	135.42
Bonus and Incentives	1,846.38	1,818.87
Taxes Payable	443.87	485.98
Trade Deposits and Advances	732.43	602.42
Provision for Expenses	5,602.55	4,192.83
<b>Total</b>	<b>9,187.82</b>	<b>12,498.10</b>

**2.10 SHORT-TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
Provision for Employee Benefits	81.19	77.80
Provision for Wealth Tax	2.94	2.63
Provision for Fringe Benefit Tax	186.70	186.70
Proposed Dividends	1,984.71	1,698.16
Provision for Dividend Tax	337.30	275.48
Provision for Income Tax (Net)	1,667.72	28.90
<b>Total</b>	<b>4,260.56</b>	<b>2,269.67</b>

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

2.11 FIXED ASSETS-TANGIBLE		GROSS BLOCK-COST/BOOK VALUE					DEPRECIATION/AMORTISATION			NET BLOCK		
		Total as at 31 March 2012	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ (Reversal) during the year	Total as at 31 March 2013	Total as at 31 March 2012	Provided during the year	Deductions/ Adjustments during the year	Total as at 31 March 2013	As at 31 March 2013	As at 31 March 2012
<b>Land:</b>												
(a) Freehold	3,592.94	13.16	-	-	3,606.10	-	-	-	-	3,606.10	3,592.94	
(b) Leasehold	263.21	-	-	-	263.21	16.88	2.86	-	19.74	243.47	246.33	
Buildings	6,378.95	643.17	-	-	7,022.12	1,055.47	203.16	-	1,258.63	5,763.49	5,323.48	
Plant & Machinery	6,906.68	1,179.46	77.87	-	8,008.27	2,874.35	417.52	77.87	3,214.00	4,794.27	4,032.33	
Electrical Installations	715.76	66.87	-	-	782.63	166.01	34.55	-	200.56	582.07	549.75	
Tools, Moulds & Dies	611.56	84.03	-	-	695.59	289.31	50.99	-	340.30	355.29	322.25	
Furniture and Fixtures	654.10	224.92	-	-	879.02	267.14	53.83	-	320.97	558.05	386.97	
Office equipment	623.15	42.28	-	-	665.43	294.49	13.56	-	308.05	357.38	328.66	
Vehicles	-	-	-	-	-	-	-	-	-	-	-	
- Owned	318.95	64.41	0.15	-	383.21	25.81	33.58	0.03	59.36	323.85	293.14	
- Leased	4.19	-	-	-	4.19	3.10	0.84	-	3.94	0.25	1.09	
<b>TOTAL</b>	<b>20,069.49</b>	<b>2,318.30</b>	<b>78.02</b>	<b>-</b>	<b>22,309.77</b>	<b>4,992.56</b>	<b>810.89</b>	<b>77.90</b>	<b>5,725.55</b>	<b>16,584.22</b>	<b>15,076.94</b>	
<b>2.12 FIXED ASSETS-INTANGIBLE</b>												
Description		GROSS BLOCK-COST/BOOK VALUE			DEPRECIATION/AMORTISATION			NET BLOCK				
		Total as at 31 March 2012	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ (Reversal) during the year	Total as at 31 March 2013	Total as at 31 March 2012	Provided during the year	Deductions/ Adjustments during the year	Total as at 31 March 2013	As at 31 March 2013	As at 31 March 2012
ERP - SOFTWARE		-	313.47	-	-	313.47	-	88.13	-	88.13	225.33	-
<b>2.13 Capital Work in Progress</b>												
Description		GROSS BLOCK-COST/BOOK VALUE			DEPRECIATION/AMORTISATION			NET BLOCK				
		Total as at 31 March 2012	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	Impairment/ (Reversal) during the year	Total as at 31 March 2013	Total as at 31 March 2012	Provided during the year	Deductions/ Adjustments during the year	Total as at 31 March 2013	As at 31 March 2013	As at 31 March 2012
Capital Work in Progress		7,936.65	6,487.79	416.52	-	14,007.92	-	-	-	14,007.92	7,936.65	
<b>Note : Capital Work in Progress includes :</b>												
a) Dooravanigar Property development amount of ₹ 2375.42 lakhs (Previous year : ₹ 2375.42 lakhs)												
b) Interest on Loan capitalised ₹ 81.15 lakhs as per AS-16.												

**2.14 NON-CURRENT INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>NON-TRADE INVESTMENTS</b>		
(i) Investment in Equity Instruments TTK Healthcare Limited, (Group Company) 1440 shares fully paid up, Face Value of ₹ 10/- per share)	1.65	1.65
<b>Total</b>	<b>1.65</b>	<b>1.65</b>
<b>Notes:-</b>		
1. All Non Trade investments are valued at cost		
2. Quoted Investments:		
Aggregate Amount	1.65	1.65
Market Value	5.90	5.63

**2.15 LONG-TERM LOANS AND ADVANCES:**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
(A) <b>Capital Advances</b>		
- Unsecured, Considered good	1,284.38	748.00
(B) <b>Security Deposits:</b>		
- Unsecured, Considered good	960.30	220.64
<b>Total</b>	<b>2,244.68</b>	<b>968.64</b>

**2.16 INVENTORIES:**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
(a) Raw-Materials	5,005.26	3,862.46
(b) Work in Progress	689.80	559.45
(c) Finished Goods	8,258.24	4,136.47
(d) Stock in Trade	9,272.39	8,695.71
(e) Stores and Spares	327.02	235.53
<b>Total</b>	<b>23,552.71</b>	<b>17,489.62</b>

**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 ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

**2.17 TRADE RECEIVABLES:**

Particulars	As at 31 <sup>st</sup> March 2013		As at 31 <sup>st</sup> March 2012	
(A) Trade receivables outstanding for a period less than six months from the date they are due for payment				
(i) Secured, considered good	-		-	
(ii) Unsecured, considered good	14,069.27		10,484.54	
(iii) Doubtful	-		-	
Less:- Allowance for Bad and Doubtful Debts	-	14,069.27	-	10,484.54
(B) Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
(i) Secured, considered good	-		-	
(ii) Unsecured, considered good	251.43		119.17	
(iii) Doubtful	162.87		198.60	
Less:- Allowance for Bad and Doubtful Debts	162.87	251.43	198.60	119.17
<b>Total</b>		<b>14,320.70</b>		<b>10,603.71</b>

**2.18 CASH AND CASH EQUIVALENTS**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
(A) <b>Balances with Banks:</b>		
(I) <b>Earmarked Bank Balances:</b>		
Unpaid dividend bank account	56.71	46.41
(II) <b>Bank Balances held as margin money or as security against:</b>		
(i) Letter of Credit	422.97	389.03
(ii) Other Commitments	23.50	21.40
(III) <b>Other Bank Balances:</b>		
(i) Others including balances in current account	2,747.32	1,814.88
(B) <b>Cash on hand</b>	4.57	4.10
<b>Total</b>	<b>3,255.07</b>	<b>2,275.82</b>

**2.19 SHORT-TERM LOANS AND ADVANCES:**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
Secured, considered good-Loan to Contract manufacturer	1,875.00	725.00
Unsecured, considered good:		
- Advance Fringe Benefits Tax	197.37	197.37
- Balances with Excise and Sales Tax Authorities	296.22	189.06
- Advances to Employees	15.37	14.35
- Others : (Advance for goods purchased, prepaid expenses & other trade advances)	2,345.52	1,688.42
<b>Total</b>	<b>4,729.48</b>	<b>2,814.20</b>

**2.20 OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
Interest accrued on investments/Deposits	149.98	45.32
<b>Total</b>	<b>149.98</b>	<b>45.32</b>

Particulars	For the year ended 31.03.2013		For the year ended 31.03.2012	
<b>2.21 OTHER INCOME</b>				
(a) Interest Income	153.69		85.39	
(b) Dividend Income	32.88		46.15	
(c) Commission Receipts	135.17		111.97	
(d) Bad Debts Recovered	27.69		29.55	
(e) Profit on Sale of Assets	3.53		17.37	
(f) Other Non-Operating Income	12.70		20.84	
(g) Net gain/(loss) on Foreign currency transactions and translations (Other than considered in finance cost)	107.57	<b>473.23</b>	136.87	<b>448.14</b>
<b>2.22 EXPENSES:</b>				
Employee Benefits Expense				
(i) Salaries and Wages	7,371.67		6,460.87	
(ii) Contribution to Provident and Other Funds	316.63		316.19	
(iii) Staff Welfare Expenses	669.74	<b>8,358.04</b>	522.16	<b>7,299.22</b>
<b>2.23 FINANCE COSTS</b>				
(i) Interest expense [includes ₹ 4.20 lakhs paid to Directors (P.Y. ₹ 4.20 Lakhs)]	1131.26		564.26	
(ii) Other Borrowing costs	17.79		20.68	
(iii) Net (gain)/loss on Foreign currency transactions and translations	277.48	<b>1,426.53</b>	56.21	<b>641.15</b>
<b>2.24 OTHER EXPENSES</b>				
(a) Consumption of Stores and Spare Parts	344.14		294.03	
(b) Power and Fuel	972.12		804.63	
(c) Rent	420.96		256.75	
(d) Repairs to Buildings	142.60		87.90	
(e) Repairs to Machinery	142.24		120.03	
(f) Donations	110.00		105.00	
(g) Insurance	72.58		46.68	
(h) Rates and Taxes, excluding, Taxes on Income	57.47		42.75	
(i) Miscellaneous Expenses	1,259.89		1,090.36	
(j) Sundry Manufacturing Expenses	1,271.06		371.55	
(k) Repairs & Maintenance to Other Assets	255.14		199.87	
(l) Travelling & Conveyance	857.84		765.34	
(m) Motor Vehicle Expenses	82.37		74.45	
(n) Additional Sales Tax/TOT/	5.89		6.94	
(o) Bank Charges	590.28		450.07	
(p) Carriage Outwards	4,881.25		3,939.13	
(q) Directors Sitting Fees	9.80		12.20	
(r) Legal & Professional Charges	232.05		143.56	
(s) Postage & Communication Expenses	180.75		144.05	
(t) Printing & Stationery	100.06		76.01	
(u) Entertainment Expenses	1.57		0.76	
(v) Advertisement & Selling Expenses	7,940.41		7,139.53	
(w) Distribution Expenses	2,304.20		1,797.76	
(x) Discounts and Scheme	7,149.62		6,055.22	
(y) Provision for Bad Debts	46.99		51.82	
(z) Loss on Demolition of Building	-	<b>29,431.28</b>	12.23	<b>24,088.62</b>
(aa) Payments to the auditor as:				
(i) Auditor	22.47		16.96	
(ii) for Taxation Matters	3.32		3.17	
(iii) for Other Services	3.60		1.88	
(iv) for Reimbursement of Expenses	0.25	29.64	0.25	22.26
<b>Other Expenses Total</b>		<b>29,460.92</b>		<b>24,110.88</b>

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

2.25 Figures are given in lakhs. Previous year figures are given in brackets.

## 2.26 Break-up of Major Raw Materials Consumed-Manufactured Goods

Particulars	Consumption
<b>Raw materials</b>	
Aluminium	12357.79 (9389.17)
Steel	1740.05 (1406.05)
Components, Packing Material etc	22596.82 (13861.77)
<b>Total</b>	<b>36694.66</b> <b>(24656.99)</b>

## 2.27 Break-up of Purchases of Stock-in-Trade

Particulars	
<b>Goods Purchased</b>	
Non Stick	7875.06 (9827.28)
Gas Stove	8344.15 (6501.45)
Kitchen Electrical Appliances	24888.13 (24002.68)
Others	4683.44 (2352.52)
<b>Total</b>	<b>45790.78</b> <b>(42683.93)</b>

## 2.28 Break-up of Sales, Closing and Opening value of Inventories

Particulars	Sales Values	Closing Inventory	Opening Inventory
<b>Manufactured Goods</b>			
Pressure Cookers	51065.42 (41321.02)	4921.15 (3368.69)	3368.69 (1846.84)
Non Stick Cookware	8038.62 (7589.85)	1853.61 (598.50)	598.50 (719.11)
Gas Stove	260.21 (3.55)	10.53 (5.43)	5.43 (3.17)
Kitchen Electrical Appliances	7250.48 (933.17)	1472.95 (163.85)	163.85 (69.00)
<b>Total</b>	<b>66614.73</b> <b>(49847.59)</b>	<b>8258.24</b> <b>(4136.47)</b>	<b>4136.47</b> <b>(2638.12)</b>

Particulars	Sales Values	Closing Inventory	Opening Inventory
<b>Traded Goods</b>			
Non Stick Cookware	16446.47 (14879.77)	1460.98 (1906.63)	1906.63 (545.94)
Gas Stove	12529.91 (10079.95)	1526.70 (941.88)	941.88 (814.04)
Kitchen Electrical Appliances	37651.19 (34010.16)	3863.01 (4685.97)	4685.97 (2730.81)
Others	4524.77 (2808.16)	2421.70 (1161.23)	1161.23 (730.65)
<b>Total</b>	<b>71152.34</b> <b>(61778.04)</b>	<b>9272.39</b> <b>(8695.71)</b>	<b>8695.71</b> <b>(4821.44)</b>
<b>Grand Total</b>	<b>137767.07</b> <b>(111625.63)</b>	<b>17530.63</b> <b>(12832.18)</b>	<b>12832.18</b> <b>(7459.56)</b>

**2.29 Imported & Indigenous Raw Materials, Components & Spares Consumed:**

Particulars	2012-13		2011-12	
	Value	%	Value	%
Imported & Indigenous Raw Materials, Components & Spares Consumed				
Imported	5470.57	14.91	2896.74	11.75
Indigenous	31224.09	85.09	21760.25	88.25
<b>Total</b>	<b>36694.66</b>	<b>100.00</b>	<b>24656.99</b>	<b>100.00</b>

- 2.30** (1) The previous year's figures have been regrouped and reclassified wherever necessary to make them comparable with the figures of the current year.
- (2) A scheme of Amalgamation of M/s.Prestige Housewares India Limited(PHIL), (which was engaged in the business of manufacturing kitchen appliances), with TTK Prestige Ltd., was sanctioned by the Honourable High Court of Madras: The details of the Amalgamation are :
- (a) The Amalgamation is in the Nature of Merger as defined in AS 14 issued by ICAI.
  - (b) Under the said scheme, all the assets and liabilities have been transferred to TTK Prestige Limited.
  - (c) As per the scheme approved by the High Court, a total of 20106 Equity shares in TTK Prestige Ltd, have been issued to the erstwhile shareholders of PHIL., the ratio of exchange being one equity share for every 24 shares of PHIL.
  - (d) The difference between the value of net identifiable assets and the agreed consideration amounting to ₹ 14.90 lacs has been credited to Capital Reserve.
  - (e) The Appointed date for the amalgamation was 1.4.2011 and the Order of the High Court dated 7th June 2012 was filed with the Registrar on the 16th of August 2012, which is the effective date of Amalgamation.

Pursuant to the Order of the High Court, the scheme of amalgamation has been given effect to in the previous year and the previous figures have been suitably adjusted.

- 2.31** a) The company has created a Trust which has taken a Group Gratuity Policy with the Life Insurance Corporation of India for future payment of gratuity to retired / resigned employees. Based on the actuarial valuation, provision has been made for the full value of the gratuity benefits as per the requirements of Accounting Standard (AS-15) (Revised) issued by The Institute of Chartered Accountants of India.
- b) The Company contributes to a Superannuation Fund covering specified employees. The Contributions are by way of annual premia 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.
- c) Leave encashment benefit has been charged to Profit & Loss account on the basis of actuarial valuation as at the yearend in line with the Accounting Standard (AS -15) (Revised) issued by the Institute of Chartered Accountants of India.
- d) **As per Accounting Standard AS -15 (Revised) Employee Benefits, the disclosures as defined in the Accounting Standard are given below:**

**DEFINED CONTRIBUTION PLAN:**

	2012-13	2011-12
Employers contribution to Provident Fund	220.50	188.79
Employers Contribution to Superannuation Fund	21.42	20.23

**DEFINED BENEFIT PLAN:**

The Employees' Gratuity Fund Scheme managed by a Trust is defined benefit plan.

The present value of obligation is determined based on actuarial valuation using Projected Unit Credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation as per Para 65 of the Accounting Standard AS - 15 (Revised), issued by the Institute of Chartered Accountants of India.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

The obligation for Leave Encashment is recognized in the same manner as gratuity.

**Reconciliation of the Opening and Closing balances Defined Benefit Obligation**

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2012-13	2011-12	2012-13	2011-12
Defined Benefit Obligation at the beginning of the year	986.14	864.03	205.25	175.46
Current Service Cost	63.21	55.31	14.59	10.94
Interest Cost	78.88	69.12	16.42	14.04
Actuarial (gains) and losses on Obligation	(15.36)	23.80	(15.82)	7.60
Benefits Paid	22.80	26.12	NIL	2.79
Defined Benefit Obligation at the end of the year	1090.07	986.14	220.44	205.25

**Reconciliation of the Opening and Closing Balances of Fair Value of Plan Assets:**

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2012-13	2011-12	2012-13	2011-12
Fair value of plan assets at the beginning of the year	797.50	691.97	138.50	115.36
Expected return on plan assets	79.73	68.32	14.30	11.74
Actuarial loss on plan assets	NIL	NIL	NIL	NIL
Contribution by the employer	79.78	63.33	21.24	14.19
Benefits paid	22.80	26.12	NIL	2.79
Fair value of plan assets at the end of the year	934.21	797.50	174.04	138.50

**Reconciliation of the Fair Value of Assets and Obligations**

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2012-13	2011-12	2012-13	2011-12
Fair Value of Plan Assets	934.21	797.50	174.04	138.50
Present Value of Obligation	1090.07	986.14	220.44	205.25
Amount recognized in Balance Sheet	155.86	188.64	46.40	66.75

**Expenses recognized during the year:**

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2012-13	2011-12	2012-13	2011-12
Current Service Cost	63.21	55.31	14.59	10.94
Interest Cost	78.88	69.12	16.42	14.04
Expected Return on Plan Assets	79.73	68.32	14.30	11.74
Actuarial loss (gain)	(15.36)	23.80	(15.82)	7.60
Net Cost	47.00	79.91	0.89	20.84

**Actuarial Assumptions:**

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2012-13	2011-12	2012-13	2011-12
	1994-96	1994-96	1994-96	1994-96
Mortality Table (LIC)	Ultimate	Ultimate	Ultimate	Ultimate
Discount Rate (p.a.)	8.00%	8.00%	8.00%	8.00%
Expected Return on Plan Assets (p.a.)	10.00%	10.00%	10.00%	7.50%
Rate of Escalation in Salary ( p.a.)	7.00%	8.00%	7.00%	8.00%

The estimate of rate of escalation in salary considered in actuarial valuation, take in to account inflation, Seniority, promotion and other relevant factors including supply and demand in the employment market.

e) Amounts for the Current and previous periods are as follows :-

(A) Gratuity

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Defined Benefit Obligations	1090.07	986.14	864.04	751.34	651.27
Plan Assets	934.21	797.50	691.97	587.31	404.39
Surplus /(Deficit)	(155.86)	(188.64)	(172.07)	(164.03)	(246.88)
Experience adjustments on Plan Liabilities(Gains)/Losses	-	-	-	-	-
Experience adjustments on Plan Assets	-	-	-	-	-

(B) Leave Encashment

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Defined Benefit Obligations	220.44	205.25	175.46	159.09	115.41
Plan Assets	174.04	138.50	115.36	79.88	5.39
Surplus /(Deficit)	(46.40)	(66.75)	(60.10)	(79.21)	(110.02)
Experience adjustments on Plan Liabilities(Gains)/Losses	-	-	-	-	-
Experience adjustments on Plan Assets	-	-	-	-	-

**2.32** Fringe Benefit Tax (till the time of abolition) was paid under protest, since the matter is pending before The Hon'ble Supreme Court of India. In case of a favourable decision, the company would be entitled to seek refund of the same. Amount: ₹ 197.37 Lakhs (P/Y: ₹ 197.37 lakhs).

**2.33 Earnings in Foreign Exchange:**

Particulars	2012-13	2011-12
On account of Export Sale less Returns calculated:		
a) at FOB Basis	6520.55	3395.90
b) at CIF Basis	6522.72	3396.58

**2.34 Expenditure in Foreign Currency:**

Particulars	2012-13	2011-12
1. Travelling Expenses	4.33	7.43
2. Other Expenses	545.41	139.71
3. CIF Value of Imports (on Payment Basis)	24777.65	21386.79
4. Import of Capital Goods	628.17	2143.33

**2.35** Based on data received from Vendors, the amount due to MSMED is ascertained as ₹ 2062.75 lakhs. There are no over dues.

**2.36** The company has two segments namely Kitchen Appliances and Property & Investment for reporting purposes.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

(₹ IN LAKHS)

**2.37 Disclosure as per Accounting Standard - 19**

The company has not acquired any item of Vehicles on Financial Lease during the year .The details in respect of vehicles purchased in earlier years are as follows :-

The Minimum lease rental outstanding as of 31<sup>st</sup> March 2013 in respect of these assets is as follows:

Particulars	Total Minimum Lease Payment Outstanding as on		Future interest on outstanding lease payments as on		Present value of Minimum lease payments as on	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Within One Year	0.44	1.35	0.01	0.13	0.43	1.22
Later than one Year and not Later than 5 Years	-	0.39	-	0.07	-	0.32
Later than 5 Years	-	-	-	-	-	-

**2.38 Related Party transactions as per Accounting Standard - 18:****(a) The Company has transactions with the following entities.**

Related Party, Enterprises over which Key Management personnel have significant control TTK Health Care Limited, Peenya Packaging Products, TTK LIG Limited, T.T. Krishnamachari & Co., TTK Services (P) Limited, Mantra Inc., USA.

**Key Management Personnel and their Relatives:**

Mr. T.T. Jagannathan, Mr. T.T. Raghunathan, Mr. S. Ravichandran, Mr. K. Shankaran, Dr. (Mrs.) Latha Jagannathan, Dr. T.T. Mukund, Mr. T.T. Lakshman, Mr. T.T. Venkatesh and Ms. Bhanu Raghunathan.

**(b) Summary of the transactions with the above Related Parties is as follows:**

Particulars	Enterprises with which the Key Management personnel have significant control	Key Management Personnel & Relatives	Total
Sales	88.15	-	88.15
Purchases	534.81	-	534.81
Salary	-	1446.33	1446.33
Interest Payments	-	5.00	5.00
Others	1919.59	7.74	1927.33

**(c) Balances outstanding as on 31.3.2013**

Particulars	Associates/Others	Key Management Personnel & Relatives
Fixed Deposits (due by the Company)	- (-)	50.00 (50.00)
Amount due to the Company against supplies	1.47 (19.51)	- (-)
Amount Owed by Company against purchases	76.71 (75.49)	- (-)
Other Current Liabilities	33.17 (67.83)	1282.78 (1315.81)

**2.39 Earnings per share as per accounting standard 20 (AS-20)**

Particulars	31.03.2013	31.03.2012
Profit after tax as per Profit & Loss a/c before extra-ordinary items (net of tax)	13308.97	11337.75
Weighted Average number of Equity Shares used as Denominator for calculating EPS (in lakhs shares)	113.41	113.41
Earnings Per Share of ₹ 10/- each :		
Before Extra –Ordinary items (₹)	117.35	99.97
After Extra – Ordinary items (₹)	117.35	99.97

Earnings Per Share calculation for the year 11-12 is based on the weighted average number of shares including Shares allotted to shareholders of M/s. Prestige Housewares India Ltd, consequent to merger of that company With TTK Prestige Limited – as per provisions of AS 20.

**2.40 Disclosure required by AS 29 'Provisions, Contingent Liabilities and Contingent Assets.**

a) Movement in Provisions (figures in brackets are in respect of the previous year)

Particulars	As at 01.04.2012	Additions	Amount Used	As at 31.03.2013
Income Tax	28.90 (79.50)	1638.82 (NIL)	Nil (50.60)	1667.72 (28.90)
Fringe Benefit Tax	186.70 (186.70)	Nil (Nil)	Nil (Nil)	186.70 (186.70)
Gratuity/Leave Encashment	255.39 (232.17)	Nil (31.26)	53.13 (8.04)	202.26 (255.39)
Warranties	775.31 (521.81)	441.31 (366.99)	555.62 (113.49)	661.00 (775.31)

**2.41 CONTINGENT LIABILITIES AND COMMITMENTS:**

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
A) Contingent Liabilities		
(a) Guarantees/LC	7424.18	3203.60
(b) Tax matters under appeal (IT/ST/ED etc)	686.62	668.52
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	5212.27	10894.13

As per our report attached  
For **Messrs. S. VISWANATHAN**  
Chartered Accountants  
Firm's Registration Number : 004770S

**C.N. SRINIVASAN**  
Partner  
Membership No. 18205

Bengaluru  
May 16, 2013

**For and on behalf of the Board**

**T.T. Jagannathan**  
Executive Chairman

**S. Ravichandran**  
Managing Director

**Dileep K. Krishnaswamy**  
Director

**K. Shankaran**  
Director & Secretary

**V. Sundaresan**  
Chief Financial Officer

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I REGISTRATION DETAILS</b>		
Registration Number (CIN)		L85110TZ1955PLC0 15049
Balance Sheet Date		31.03.2013
<b>II CAPITAL RAISED DURING THE YEAR</b>		
		(Amount in Lakhs)
Public Issue		Nil
Rights Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
<b>III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>		
		(Amount in Lakhs)
Total Liabilities		79071.74
Total Assets		79071.74
<b>Sources of Funds</b>		
Paid up capital		1135.48
Reserves & Surplus		38410.82
Secured Loans		6309.39
Unsecured loans		5201.14
<b>Application of Funds</b>		
Net Fixed assets		30817.47
Investments		1.65
<b>Net Current and Non Current Assets</b>		
Current and Non Current Assets	48252.62	
Less :Current and Non Current Liabilities	<u>28014.91</u>	20237.71
<b>IV PERFORMANCE OF THE COMPANY</b>		
Turnover		138589.00
Total Expenditure		117801.15
Profit/(loss) before Tax		18520.47
Profit/(loss) after Tax		13308.97
Earnings Per Share (in ₹ )		117.35
Dividend Rate %		175%
<b>V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY (AS PER MONETARY TERMS)</b>		
Item Code No. (ITC Code)		Product Description
7651910 and 73239310		Pressure Cookers
76151920		Non-stick Cookware
85167990		Induction Cooktop
39241090		Microwave Cookers
73211110		Gas Stoves

As per our report attached  
For **Messrs. S. VISWANATHAN**  
Chartered Accountants  
Firm's Registration Number : 004770S

**C.N. SRINIVASAN**  
Partner  
Membership No. 18205

Bengaluru  
16<sup>th</sup> May, 2013

**For and on behalf of the Board**

**T.T. Jagannathan**  
Executive Chairman

**S. Ravichandran**  
Managing Director

**Dileep K. Krishnaswamy**  
Director

**K. Shankaran**  
Director & Secretary

**V. Sundaresan**  
Chief Financial Officer

**SEGMENT WISE REVENUE RESULTS & CAPITAL EMPLOYED**

(₹ IN LAKHS)

Particulars	2012-13	2011-12
<b>SEGMENT REVENUE</b>		
Kitchen Appliances		
Gross sales	138589.00	112271.17
Less: Excise Duty	2740.61	1927.54
Net Sales / Income from Operations	135848.39	110343.63
Property&Investment	106.84	79.84
Total Segmental Revenue	135955.23	110423.47
Less; Inter-Segment Revenue	-106.84	-79.84
Net Sales / Income from Operations	135848.39	110343.63
<b>SEGMENT RESULTS</b>		
{Profit(loss) before Interest & Tax}		
Kitchen Appliances	19863.71	16894.10
Property&Investment	89.21	72.97
Total Segment Results	19952.92	16967.07
Less; Interest Expenses	1432.45	641.15
Less;Unallocable Expenses ( Net of unallocable income)	0.00	0.00
Total Profit (+) / Loss(-) from ordinary activities before tax and Exceptional items	18520.47	16325.92
Less: Exceptional items - VRS Compensation	0.00	0.00
Total Profit (+) / Loss(-) from ordinary activities before tax and after exceptional items	18520.47	16325.92
Extra-ordinary income(net of tax expense)	0.00	0.00
Total Profit (+) / Loss(-) from ordinary activities before tax and after extraordinary items	18520.47	16325.92
<b>RECONCILIATION OF TOTAL CAPITAL EMPLOYED VS. CAPITAL EMPLOYED IN SEGMENTS</b>		
	<b>2012-13</b>	<b>2011-12</b>
Total Non Current Assets	30686.73	21606.81
Total current Assets	46007.94	33228.67
Investments	0.00	0.00
Capital Work in Progress (Dooravani Nagar)	2375.42	2375.42
Sub-Total	79070.09	57210.9
Less :Total Current Liabilities(excluding Provision for Dividend)	23399.33	16634.96
Sub-Total	55670.76	40575.94
Less :Total Non Current Liabilities	2293.57	2134.07
<b>Total Capital Employed in the Company</b>	<b>53377.19</b>	<b>38441.87</b>
<b>SEGMENTWISE CAPITAL EMPLOYED</b>		
Kitchen Appliances	50676.22	35717.44
Property & Investment	2700.97	2724.43
Unallocated	0.00	0.00
	<b>53377.19</b>	<b>38441.87</b>

**Notes :**

Segments have been identified in line with Accounting standard on Segment Reporting (AS-17), considering the organisation structure and differential risks and returns.

The different Business segments identified are :(a) Kitchen Appliances (b) Property & Investment.

The Segmentwise Revenue,Results and capital employed figures relate to respective amounts directly identifiable to each of the segments.

**HISTORICAL FINANCIAL HIGHLIGHTS**

Prepared as per conventional method to facilitate comparison

(₹ IN LAKHS)

HISTORICAL DATA		2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
<b>PERFORMANCE</b>											
1	Total Income	139062.23	112719.31	77987.90	51794.37	41670.58	34134.83	29391.17	23185.24	19182.58	15246.28
2	Profit before Interest, Depreciation, Extra ordinary items & tax	20846.02	17592.05	12595.49	7616.25	3813.01	3278.60	2578.63	1950.47	1219.69	1170.75
3	Interest	1426.53	641.15	75.53	114.14	565.07	767.48	687.92	550.49	636.32	921.18
4	Depreciation	899.02	624.98	426.08	358.94	347.58	384.48	220.08	188.59	186.98	183.37
5	Profit / (Loss) before extra ordinary items	18520.47	16325.92	12093.88	7143.17	2900.36	2126.64	1670.63	1211.39	396.39	66.20
6	Extra - ordinary \ Exceptional Items	0.00	0.00	-58.50	397.23	0.00	319.83	-11.29	-11.29	-11.29	-11.29
7	Profit before tax	18520.47	16325.92	12035.38	7540.40	2900.36	2446.47	1659.34	1200.10	385.10	54.91
8	Taxation Provision	5211.50	4988.15	3660.22	2296.60	662.25	379.95	482.67	488.63	3.76	33.60
9	Profit After tax	13308.97	11337.77	8375.16	5243.80	2238.11	2066.52	1176.67	711.47	381.34	21.31
10	Dividend provision	1984.71	1698.16	1415.14	1131.99	565.99	397.19	340.45	283.34	226.64	0.00
11	Dividend Tax	337.30	275.48	229.57	188.01	96.19	67.50	57.86	39.74	29.62	0.00
12	Dividend Declared %	175.00	150.00	125.00	100.00	50.00	35.00	30.00	25.00	20.00	0.00
<b>Sources &amp; Application of Funds</b>											
<b>Sources</b>											
1	Share Capital	1135.48	1133.47	1133.47	1133.41	1133.41	1133.40	1133.39	1133.37	1133.18	1133.18
2	Reserves & surplus	38410.82	27393.86	18014.85	11283.92	7331.26	5755.29	4377.06	3598.54	3228.75	3103.67
3	Loan Funds	11510.53	7940.87	224.56	279.92	2069.39	4687.33	7352.87	5724.83	6494.66	7645.40
<b>Total</b>		<b>51056.83</b>	36468.20	19372.88	12697.25	10534.06	11576.02	12863.32	10456.74	10856.59	11882.25
<b>Application</b>											
4	Fixed Assets WDV incl assets kept for disposal	32101.85	23761.59	9142.87	6400.35	5957.60	5661.15	3582.74	2525.39	2506.48	3187.97
5	Investments	1.65	1.65	2258.00	39.03	39.03	39.03	1812.24	1812.24	1512.79	1512.79
6	Net Current Assets	19964.83	13385.80	8297.82	6569.22	4851.55	6183.39	7762.81	6149.86	6502.10	6824.09
7	Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00	0.00	11.29	22.57	33.86	45.14
8	Deferred Tax Asset (Li-ability)	-1011.50	-680.84	-325.81	-311.35	-314.12	-307.55	-305.76	-53.32	301.36	312.26
<b>Total</b>		<b>51056.83</b>	36468.20	19372.88	12697.25	10534.06	11576.02	12863.32	10456.74	10856.59	11882.25

Date :  
Mail this form to  
**Karvy Computershare (P) Limited**  
(Unit : TTK Prestige Limited)  
Plot No. 17 to 24, Vittal Rao Nagar,  
Madhapur, Hyderabad - 500 081.

Dear Sirs,

### **MANDATE FORM - ELECTRONIC CLEARING SERVICE (ECS)**

I hereby consent to have the amount of dividend on my equity shares credited through the Electronic Clearing Service (Credit Clearing) - (ECS). The particulars are :

1. Shareholder's Name
2. Client ID / Folio No.
3. D.P. ID
4. Address
  
5. Particulars of Bank Account
  - a) Bank Name
  - b) Branch Name & Address
  - c) 9-Digit Code Number of the Bank appearing on the MICR Cheque issued by the Bank
  - d) Account No.  
(as appearing in the Cheque Book)
  - e) Account Type (SB / CA / CC)
6. Date from which the mandate should be effective

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I/We shall not hold the Company responsible. I also undertake to advise changes, if any in the particular of my account to facilitate updation of records for purposes of credit of dividend amount through ECS.

Signature of the shareholder(s)

- Note :
1. Please complete this form and send it to Karvy Computershare (P) Limited
  2. In case of more than one client Id / Folio please complete the details on separate sheets.
  3. ECS facility, at present may be availed by Members for a dividend amount upto ₹ 5,00,000, subject to the rules and regulations of the Scheme of ECS of the Reserve Bank of India from time to time.
  4. Please inform your Depository Participant (DP) of any changes in Bank Account details.



Bank's Stamp  
Date :

Signature of the Authorised Official of the Bank

# TTK PRESTIGE LIMITED

Registered Office : Plot No. 38, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu

## ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full Name of the member attending .....

Full Name of the first joint holder .....

(To be filled in if first named joint-holder does not attend the meeting)

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 57<sup>th</sup> ANNUAL GENERAL MEETING of the Company to be held on Monday, 15<sup>th</sup> July, 2013 at Rennaissance Sarovar Portico, No. 422, SIPCOT Phase II, Bengaluru Road, Hosur - 635109.

Ledger Folio / Client ID No. ....

No. of Shares held .....

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

**Note : Members are requested to bring their copies of the Annual Report to the Meeting.  
As per the policy of the Company no Gifts will be given at the Annual General Meeting.**



# TTK PRESTIGE LIMITED

Registered Office : Plot No. 38, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu

## PROXY

I / We.....

of .....

in the district of .....

being a member / members of TTK PRESTIGE LIMITED, hereby appoint .....

of ..... in the district of

.....or failing him ..... in the district of

..... as my / our proxy to vote for me / us on

my / our behalf at the Fifty Seventh Annual General Meeting of the Company to be held on 15<sup>th</sup> July, 2013 and at any adjournment thereof.

Signed this ..... day of.....2013.

Ledger Folio / Client ID No. ....

No. of Shares held .....



(Signature of Member)

Notes : Proxy must be deposited at the Registered Office of the Company not less than 48 HOURS before the commencement of the meeting.

# 'Awards and Recognition 2012 - 2013'



**Corporate Leader Award**



**Award For Excellence In Improving Performance Through Leadership**



**Retail and Lifestyle Leadership Award**



**Master Brand Award**



**Retail Excellence Award**



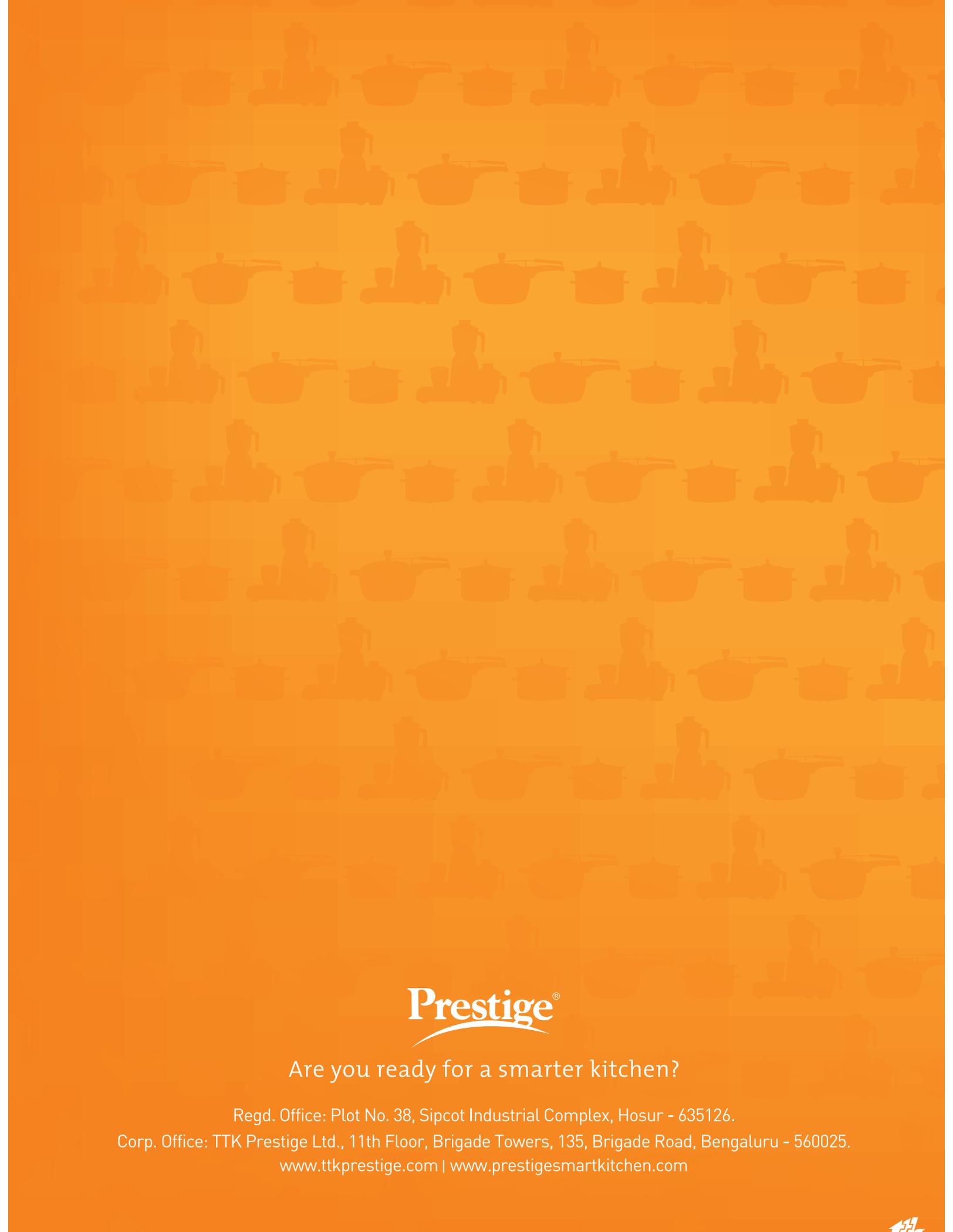
**Superbrand Award**



**Most Preferred Kitchenware Brand Award**



**Power Brand Award**



Prestige®

Are you ready for a smarter kitchen?

Regd. Office: Plot No. 38, Sipcot Industrial Complex, Hosur - 635126.

Corp. Office: TTK Prestige Ltd., 11th Floor, Brigade Towers, 135, Brigade Road, Bengaluru - 560025.

[www.ttkprestige.com](http://www.ttkprestige.com) | [www.prestigesmartkitchen.com](http://www.prestigesmartkitchen.com)

