



# Hawkins Cookers Limited Annual Report 2016-2017

## NEW PRODUCTS LAUNCHED IN THIS YEAR

STAINLESS STEEL  
**Hawkins**  
*Contura*



3 LITRE

**FUTURA**  
ROTI TAVA

HARD ANODISED

4.88 mm THICK  
26 cm DIAMETER

**FUTURA**  
FRYING PAN

NONSTICK



3.25 mm THICK  
22 cm DIAMETER

All the New Products  
Work on Gas + Induction  
+ Electric + Ceramic + Halogen

## Financial Performance: A Five-Year Summary in Rs. Crores

*(Except Price per Share and Dividend which is in Rupees)*

*All % Growth are over its previous year. 1 Crore = 10 Million.*

	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>
<b>Sales</b>	<b>447</b>	<b>481</b>	<b>541</b>	<b>571</b>	<b>606</b>
% Growth Note 1	16.4	7.5	12.5	5.7	6.1
<b>Profit After Tax</b>	<b>34.10</b>	<b>38.28</b>	<b>32.12</b>	<b>40.34</b>	<b>45.61</b>
% Growth	13.4	12.3	-16.1	25.6	13.1
<b>Shareholders' Funds</b>	<b>53.17</b>	<b>55.34</b>	<b>57.42</b>	<b>59.99</b>	<b>83.87</b>
% Growth Note 2	8.9	4.1	3.8	4.5	39.8
<b>Return on Shareholders' Funds</b>	<b>64%</b>	<b>69%</b>	<b>56%</b>	<b>67%</b>	<b>54%</b>
Note 3					
<b>Dividend per share of Rs. 10</b>	<b>Rs. 50</b>	<b>Rs. 60</b>	<b>Rs. 45</b>	<b>Rs. 60</b>	<b>Rs. 70</b>
Note 4					
<b>Price per share</b>	<b>Rs. 2168</b>	<b>Rs. 2795</b>	<b>Rs. 2341</b>	<b>Rs. 2525</b>	<b>Rs. 2932</b>
% Growth Note 5	42.4	28.9	-16.2	7.9	16.1

**Notes:** 1. Including Excise Duty & Other Operating Income.

2. The average of each year's opening & closing balances of Paid-up Capital plus Reserves & Surplus. Also called Net Worth. The figure for 2016-17 is much higher because it includes the amount of the Dividend proposed and the Tax thereon as is required by the currently applicable Accounting Standard 4.

3. Profit After Tax as a percentage of Net Worth or Shareholders' Funds.

4. The Dividend for 2016-17 is subject to the approval of Shareholders at the forthcoming AGM.

5. The average of the daily closing price per share for the three weeks ended June 30 following each financial year.

# HAWKINS COOKERS LIMITED ANNUAL REPORT 2016-17

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## BOARD OF DIRECTORS

<b>J. M. Mukhi</b>	<b>Shishir K. Diwanji</b>	<b>Gerson da Cunha</b>	<b>Gen. V. N. Sharma (Retd.)</b>
<b>E. A. Kshirsagar</b>	<b>Susan M. Vasudeva</b>		<b>Ravi Kant</b>
<b>S. Dutta Choudhury</b>		<b>Sudeep Yadav</b>	<b>Brahm Vasudeva</b>
VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER		EXECUTIVE DIRECTOR – FINANCE & ADMINISTRATION	

[www.hawkinscookers.com](http://www.hawkinscookers.com)

<b>COMPANY SECRETARY</b> Hutoxi Bhesania	<b>AUDITORS</b> Deloitte Haskins & Sells LLP
<b>REGISTERED OFFICE</b> Maker Tower F 101, Cuffe Parade, Mumbai 400 005 India CIN: L28997MH1959PLC011304 Tel: 2218 66 07 Fax: 2218 11 90 ho@hawkinscookers.com	<b>SOLICITORS</b> Crawford Bayley & Co.

<b>REGISTRAR AND SHARE TRANSFER AGENT</b> Link Intime India Pvt. Ltd., C-101, 247 Park, L. B. Shastri Marg, Vikhroli (West), Mumbai 400 083 Tel: 4918 62 70 Fax: 4918 60 60 email: hawkins.coenq@linkintime.co.in	<b>BANKERS</b> Dena Bank Punjab National Bank The Saraswat Co-operative Bank Limited Corporation Bank
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# DIRECTORS' REPORT TO SHAREHOLDERS

We have the honour to present our Fifty-Seventh Annual Report and Audited Statement of Accounts for the year ended March 31, 2017.

## 2016-17 Operations: Main Results

We are pleased to report excellent results.

Once again, sales are the highest ever. Revenue from operations including excise duty in 2016-17 was Rs. 606.16 crores (up 6.1% over the previous year) and, net of excise duty, it was Rs. 578.61 crores (up 6.3% over the previous year).

This year, profits are also the highest ever. Profit before tax was Rs. 68.20 crores (13.2% higher than the previous year). Net profit after tax was Rs. 45.61 crores (13.1% higher than the previous year).

The net return after tax on shareholders' funds/net worth (after reducing the amount of the proposed dividend and the tax thereon – to make the net worth comparable to the previous year) was 74% (previous year: 67%).

## Management Discussion and Analysis

We operate in the Kitchenware segment consisting of Pressure Cookers and Cookware. The industry structure is quite competitive with both small scale and organized sector units.

In 2016-17, we did not take a price increase. This, along with our now extremely effective advertising, has led to a growth in demand for our pressure cookers and cookware. Our improved distribution has also helped sales. Our efforts at more efficient procurement and production have produced a good impact on our profits.

We have undertaken projects to renovate and increase the production capacity of our plants. The required investment is generated from internal resources. The new products launched during the year have done well.

The number of permanent employees as on April 1, 2016, was 789 and as on March 31, 2017, was 728. The morale of our employees at all locations is high. A three-year settlement with our workers in Hoshiarpur has been signed. Industrial relations at all our locations were and are normal. We appreciate very much the contribution of our employees to the successful working of your Company.

Profit before tax as a percentage of net sales in 2016-17 was 11.8% as against 11.1% in the previous year. Net profit after tax as a percentage of net sales in 2016-17 was 7.9% as against 7.4% in the previous year.

Cash flow during the year was comfortable. Cash and cash equivalents as on March 31, 2017, were Rs. 64.29 crores (previous year: Rs. 48.92 crores). We have plans to utilise these funds appropriately.

## Control Systems

In our judgment, the Company has adequate financial and administrative systems and controls and an effective internal audit function.

## Risks and Concerns

All foreseeable risks that the Company may encounter and concerns have been addressed in a documented Risk Management Framework which is reviewed by the Board from time to time.

## Threats and Opportunities

Management continues to diligently watch cost increase trends and seeks effective cost controls and necessary adjustment in prices as needed from time to time. We are prepared for the impact of the Goods and Services Tax and believe we are well equipped to deal with it.

The current and long-term vitality of the demand for our brands augur well for the future of your Company.

## Outlook

We believe the outlook for our business is excellent. In this year, we have further strengthened the good reputation we have amongst our consumers, customers and associates and vendors. We expect to continue to increase our sales and profits.

All forward-looking statements in our report are based on our assessments and judgments exercised in good faith at this time. Of course, actual developments and/or results may differ from our present anticipation.

## 2016-17 Operations: Other Aspects

The value of exports at Rs. 32.83 crores in 2016-17 was up 18.4% over the previous year. Foreign Exchange used in 2016-17 was Rs. 6.39 crores (Rs. 1.33 crores in the previous year).

As our Research & Development Unit is recognised by the Department of Scientific and Industrial Research, our expenditure on R&D in 2016-17 is eligible for the benefit of deductibility of expenses at the rate of 200% for the purpose of the computation of income tax subject to the necessary approvals by the Department of Scientific and Industrial Research and the Income Tax Department. The expenditure on Research & Development in 2016-17 was Rs. 4.06 crores, up 20% over previous year. Required details are given in **Appendix I**. Efforts continue in our factories and offices to save energy wherever possible.

The details of Fixed Deposits under Sections 73 and 76 of the Companies Act, 2013, are as follows:

- (a) Amount accepted during the year: Rs. 1.33 crores.
- (b) Amount remained unpaid or unclaimed as at end of the year: Nil.
- (c) Default in repayment of deposits or payment of interest thereon: Nil.

**Dividend and Appropriations**

We are pleased to recommend Rupees Seventy as dividend per Equity Share of Rs. 10 (previous year: Rupees Sixty per Share). Our recommendation takes into account the profitability, circumstances and requirements of the business.

Out of the amount available for appropriation of Rs. 58.38 crores (previous year: Rs. 51.95 crores), we propose:

- Rs. 1.00 crore transfer to General Reserve (previous year: Rs. 1.00 crore) and
- Rs. 57.38 crores as surplus carried to the Balance Sheet (previous year: Rs. 12.77 crores). The much larger said amount this year is because the entire proposed dividend and the tax thereon which is Rs. 44.55 crores is carried as surplus to the balance sheet as is required by the Accounting Standard 4 in the year under report.

**Directors' Responsibility Statement**

The Board confirms that:

1. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
2. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and proper explanation given relating to material departures. The Directors have prepared the Annual Accounts on a going-concern basis.
3. The Directors 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 and loss of the Company for that period.
4. Based on the framework of the internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.
5. The Directors have devised proper systems that are adequate and operating effectively to ensure compliance with the provisions of all applicable laws.

**Code of Conduct**

The Board has formulated a Corporate Governance Code of Conduct for all Directors of the Board and Senior Managers of the Company. This Code is available on the

website of the Company. All Directors and Senior Management Personnel have affirmed compliance with the Code. A declaration to this effect signed by the Vice-Chairman and Chief Executive Officer of the Company appears elsewhere in this Annual Report.

**Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

As required under the abovementioned Act, we report that in the year 2016-17 no case of sexual harassment of women was filed under the said Act.

**Corporate Governance**

A separate section on Corporate Governance forms part of our Report. A certificate has been received from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Both appear elsewhere in the Annual Report.

**Directors**

Mr. Ravi Kant was appointed as an Additional Director of the Company with effect from June 1, 2016. At the Annual General Meeting (AGM) of the Company held on August 4, 2016, the shareholders appointed him as an Independent Director for a period of five years.

Mrs. Susan M. Vasudeva retires by rotation as a Director at the 57<sup>th</sup> AGM of the Company and, being eligible, offers herself for re-appointment for which the Board has resolved to recommend to the shareholders a suitable resolution.

All the six Independent Directors, namely, Mr. J. M. Mukhi, Mr. Shishir K. Diwanji, Mr. Gerson da Cunha, General V. N. Sharma (Retd.), Mr. E. A. Kshirsagar and Mr. Ravi Kant have given written declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Chief Executive Officer made presentations to the Independent Directors to update them on the Company's operations, products and marketing policies, and the main challenges faced by the Company in 2016-17 and how the Company has managed them. The required details of the Familiarization Program presentations made to the Independent Directors are available at [www.hawkinscookers.com/idfp](http://www.hawkinscookers.com/idfp).

**Auditors**

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), Chartered Accountants, as the Statutory Auditors of the Company expires at the conclusion of the 57<sup>th</sup> Annual General Meeting of the Company. The Board of Directors of the Company at its meeting held on May 25, 2017, on the recommendation of the Audit Committee,

## **Directors' Report (Continued)**

has decided to recommend to the shareholders the appointment of M/s. Kalyaniwalla & Mistry LLP (Firm Registration No.104607W/W100166), Chartered Accountants, as the Statutory Auditors of the Company for an initial term of five years from the conclusion of the 57<sup>th</sup> Annual General Meeting till the conclusion of the 62<sup>nd</sup> Annual General Meeting of the Company. The Board places on record its appreciation for the services rendered admirably by M/s. Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company.

### **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company had appointed M/s. Jayshree Dagli & Associates, Company Secretaries in Practice, to undertake the secretarial audit of the Company for the year 2016-17. The Secretarial Audit Report is annexed as **Appendix II**.

### **Extract of Annual Return in Form MGT-9 (Section 92(3) of the Companies Act, 2013)**

Given in **Appendix III** are the details required as per the following seven sections:

- I. Registration and Other Details
- II. Principal Business Activities of the Company
- III. Particulars of Holding, Subsidiary and Associate Companies
- IV. Shareholding Pattern
- V. Indebtedness
- VI. Remuneration of Directors and Key Managerial Personnel
- VII. Penalties/Punishment/Compounding of Offences

### **Contracts or Arrangements with Related Parties**

All related party transactions during the year were on an arm's length basis and were not material as per the Related Party Transactions Policy of the Company.

### **Corporate Social Responsibility**

The Company has selected an appropriate project called *Improving the Health of Women and Children by Cutting Indoor Air Pollution with Pressure Cooking*. A pilot project was conducted in a few villages in Jalna and Ahmednagar districts of Maharashtra in 2016-17. The village women were explained how they can reduce the exposure to Indoor Air Pollution by the use of Pressure Cookers with live demonstrations and pressure cookers were offered to the villagers at a 50% discount on the MRP.

After evaluating the results of the pilot project, we concluded that it was a success and decided to pursue the project on a suitably enlarged scale. However, because of the time taken to conduct the pilot, we could not spend the Rs.1.10 crores on activities under Corporate Social Responsibility in the year ended March 31, 2017, as required by Section 135 of the Companies Act, 2013.

We plan to scale up this project in 2017-18 by recruiting, training and deploying demonstrators in one or more States of India. The required Annual Report on CSR is given as **Appendix IV**.

### **Directors' Performance Evaluation**

The performance evaluation of each Director of the Board was carried out by the Nomination and Remuneration Committee at its Meeting held on May 25, 2017, as per the criteria set by it earlier. The said criteria are included in the Corporate Governance Report enclosed herewith. The performance evaluation of the non-Independent Directors, the Board as a whole and the Chairman of the Board was carried out by the Independent Directors at their separate meeting held on May 25, 2017. The Board of Directors at its meeting held on May 25, 2017, reviewed the reports of evaluation received from the Nomination and Remuneration Committee and the Independent Directors and also the functioning of the Committees of the Board and carried out the evaluation of the Board as a whole, the Committees of the Board and each Director and found the performance of the Board, the Committees and all the individual Directors to be satisfactory.

### **Remuneration Policy**

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a remuneration policy for all employees of the Company including senior management and the Directors. The remuneration policy of the Company is designed to attract, motivate and retain suitable manpower in a competitive market. The remuneration package for each person is designed keeping a balance between fixed remuneration and profit and performance-linked incentives in order to achieve corporate performance targets. The policy is aligned with the Company's mission, which states: "Our single-minded determination to please customers drives the kind of people we employ and promote, the investments we make and the results we produce." The Board affirms that the remuneration is as per the Remuneration Policy of the Company. Information as per Section 197 of the Companies Act, 2013, is given in **Appendix V**.

### **Vigil Mechanism**

The Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report genuine concerns or grievances including unethical behaviour, fraud or violation of the Company's Corporate Governance Code of Conduct. The authority for the implementation of the policy rests with the Executive Director-Finance & Administration under the overall supervision of the Audit Committee of the Board.

ON BEHALF OF THE BOARD OF DIRECTORS



Mumbai  
June 28, 2017

BRAHM VASUDEVA  
CHAIRMAN

## Research & Development

Specific areas in which R&D efforts have been carried out: R&D in materials, machines, processes and designs of components and products in order to improve the functioning and durability of products, to produce greater fuel economies and to improve the safety and convenience of the users of the products. Benefits derived as a result: launch of new products plus design and quality improvement/cost reduction in existing products. Future plan of action: we intend to support the R&D Centre and the Test Kitchen to meet corporate objectives for quality improvement, cost reduction, introduction of

new products and consumer service and support. Capital expenditure on R&D: Rs. 0.14 crores (previous year: Rs. 0.06 crores). Recurring expenditure: Rs. 3.92 crores, 0.6% of total turnover (previous year: Rs. 3.33 crores, 0.6%).

Efforts made for technology absorption, adaptation and innovation: the Company has relied upon internal generation. No technology has been imported for the last three years. As on April 1, 2017, there were 52 valid patents and design registrations in force. Benefits derived: as described above.

## Appendix II

### **Secretarial Auditor's Report To the Members of Hawkins Cookers Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For JAYSHREE DAGLI & ASSOCIATES  
Company Secretaries



Jayshree S. Joshi  
F.C.S.1451 C.P.487

25<sup>th</sup> May, 2017

### **Form No. MR-3: Secretarial Audit Report for the Financial Year Ended 31<sup>st</sup> March, 2017**

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HAWKINS COOKERS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other

records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

## **Appendix II of the Directors' Report (Continued)**

**(A)** We have examined the books, papers, minutes books, forms and returns filed and other records maintained by **HAWKINS COOKERS LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under and The Companies Act, 1956 and the Rules and Regulations made there under to the extent applicable; and circulars, notifications, clarifications, Removal of Difficulties Orders or such other relevant statutory material issued by Ministry of Corporate Affairs from time to time;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent applicable;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. Based on the nature of business activities of the Company, the following specific Acts/ Laws / Rules / Regulations are applicable to the Company :
  - (a) Environment (Protection) Act, 1981
  - (b) Air (Prevention and Control of Pollution) Act, 1981
  - (c) Water (Prevention and Control of Pollution) Act, 1974
  - (d) Hazardous Wastes (Management and Handling) Rules, 1989
  - (e) Labour Laws to the extent applicable.

**(B)** We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS - 1) and for General Meetings (SS – 2).

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc.as mentioned above.

During the year under review, the provisions of the following Regulations (as enumerated in the prescribed format of Form MR-3) were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (v) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

### **We further report that**

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

Adequate notice had been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in cases where shorter notice/s were given for Committee Meetings, at least one Independent Director was present at such meeting/s and that the system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Unanimous decisions were carried through as there were no cases of dissent of any Director in respect of any decision and was accordingly captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in place in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines referred to herein above.

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

For JAYSHREE DAGLI & ASSOCIATES  
Company Secretaries  
Unique Code: S1995MH013400

Place: Mumbai  
25<sup>th</sup> May, 2017

Jayshree S. Joshi  
F.C.S.1451 C.P.487

### Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

- i. CIN: L28997MH1959PLC011304
- ii. Registration Date: February 25, 1959
- iii. Name of the Company: Hawkins Cookers Limited
- iv. Category / Sub-Category of the Company: Company limited by shares /Indian Non-Government Company
- v. Address of the Registered office and contact details: Maker Tower F101, Cuffe Parade, Mumbai-400005  
Tel: 022 - 22186607/22181605
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent: Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400083.  
Tel: 022 - 49186270/49196000

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10 % or more of the total turnover of the Company:

S. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% of Total Turnover of the Company
1	Pressure Cooker	28997	81
2	Cookware	51392	16

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
<b>A. Promoters</b>									
(1) Indian: Individuals	25,79,204	Nil	25,79,204	48.78	25,78,904	Nil	25,78,904	48.77	-0.01
(2) Foreign: NRI-Individuals	3,83,632	Nil	3,83,632	7.26	3,83,932	Nil	3,83,932	7.26	0.00
<b>Total Shareholding of Promoter &amp; Promoter Group</b>	<b>29,62,836</b>	<b>Nil</b>	<b>29,62,836</b>	<b>56.03</b>	<b>29,62,836</b>	<b>Nil</b>	<b>29,62,836</b>	<b>56.03</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a. Mutual Funds	6,03,969	Nil	6,03,969	11.42	6,37,552	Nil	6,37,552	12.06	0.64
b. Banks/Financial Institutions	12,055	291	12,346	0.23	12,055	291	12,346	0.23	0.00
c. Foreign Institutional Investors	33,116	Nil	33,116	0.63	16,296	Nil	16,296	0.31	-0.32
<b>Sub Total</b>	<b>6,49,140</b>	<b>291</b>	<b>6,49,431</b>	<b>12.28</b>	<b>6,65,903</b>	<b>291</b>	<b>6,66,194</b>	<b>12.60</b>	<b>0.32</b>
<b>(2) Non-Institutions</b>									
a. Indian Bodies Corporate	1,59,306	836	1,60,142	3.03	1,60,397	836	1,61,233	3.05	0.02
b. Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	8,84,280	2,29,953	11,14,233	21.07	8,68,728	2,17,608	10,86,336	20.54	-0.53
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,16,284	14,100	2,30,384	4.36	2,27,212	13,300	2,40,512	4.55	0.19
c. Clearing Members	4,593	Nil	4,593	0.09	6,678	Nil	6,678	0.13	0.04
d. NRI	1,00,766	300	1,01,066	1.91	88,091	300	88,391	1.67	-0.24
e. Trusts	1,559	Nil	1,559	0.03	414	Nil	414	0.01	-0.02
f. HUF	63,571	Nil	63,571	1.20	74,669	Nil	74,669	1.41	0.21
g. Foreign Portfolio Investor	Nil	Nil	Nil	552	Nil	552	0.01	0.01	
<b>Sub Total</b>	<b>14,30,359</b>	<b>2,45,189</b>	<b>16,75,548</b>	<b>31.69</b>	<b>14,26,741</b>	<b>2,32,044</b>	<b>16,58,785</b>	<b>31.37</b>	<b>-0.32</b>
<b>Total Public Shareholding</b>	<b>20,79,499</b>	<b>2,45,480</b>	<b>23,24,979</b>	<b>43.97</b>	<b>20,92,644</b>	<b>2,32,335</b>	<b>23,24,979</b>	<b>43.97</b>	<b>0.00</b>
<b>Grand Total (A+B)</b>	<b>50,42,335</b>	<b>2,45,480</b>	<b>52,87,815</b>	<b>100.00</b>	<b>50,55,480</b>	<b>2,32,335</b>	<b>52,87,815</b>	<b>100.00</b>	<b>0.00</b>

**Appendix III of the Directors' Report (Continued)**

**(ii) Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1	Brahm Vasudeva	18,29,632	34.60	0.00	18,29,032	34.59	0.00	-0.03
2	Neil Vasudeva	3,80,032	7.19	0.00	3,80,032	7.19	0.00	0.00
3	Nikhil Vasudeva	3,80,032	7.19	0.00	3,80,032	7.19	0.00	0.00
4	Gitanjali V. Nevatia	1,21,792	2.30	0.00	1,21,792	2.30	0.00	0.00
5	Gayatri S. Yadav	1,21,738	2.30	0.00	1,21,738	2.30	0.00	0.00
6	Anuradha S. Khandelwal	1,21,494	2.30	0.00	1,21,494	2.30	0.00	0.00
7	Sanjana Khandelwal	2,416	0.05	0.00	2,516	0.05	0.00	4.14
8	Margot Amrit Vasudeva	1,500	0.03	0.00	1,600	0.03	0.00	6.67
9	Adya Khandelwal	1,400	0.03	0.00	1,500	0.03	0.00	7.14
10	Angelina Pallavi Vasudeva	1,300	0.02	0.00	1,400	0.03	0.00	7.69
11	Valentine Jaya Vasudeva	800	0.02	0.00	900	0.02	0.00	12.50
12	Varun Hans Vasudeva	700	0.01	0.00	800	0.02	0.00	14.29
<b>Total</b>		<b>29,62,836</b>	<b>56.03</b>	<b>0.00</b>	<b>29,62,836</b>	<b>56.03</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding:** No change.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors and Promoters)**

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total				No. of Shares	% of total
1	SBI Emerging Businesses Fund	2,30,000	4.35	01-04-2016	-	-	2,30,000	4.35
				31-03-2017	-	-	2,30,000	4.35
2	SBI Magnum Balanced Fund	1,14,126	2.16	01-04-2016	-	-	1,14,126	2.16
				31-03-2017	-	-	1,14,126	2.16
3	Catamaran Management Services Private Limited	1,03,702	1.96	01-04-2016	-	-	1,03,702	1.96
				13-05-2016	2,000	Acquired	1,05,702	2.00
				03-06-2016	133	Acquired	1,05,835	2.00
				10-06-2016	3,886	Acquired	1,09,721	2.07
				17-06-2016	1,079	Acquired	1,10,800	2.10
				30-06-2016	35	Acquired	1,10,835	2.10
				15-07-2016	151	Acquired	1,10,986	2.10
				10-03-2017	-1,10,986	Disposed	0	0.00
				31-03-2017	-	-	0	0.00
4	Kotak Emerging Equity Scheme	86,182	1.63	01-04-2016	-	-	86,182	1.63
				06-05-2016	-5,082	Disposed	81,100	1.53
				13-05-2016	-1,918	Disposed	79,182	1.50
				24-06-2016	2,829	Acquired	82,011	1.55
				30-06-2016	977	Acquired	82,988	1.57
				08-07-2016	891	Acquired	83,879	1.59
				15-07-2016	3,543	Acquired	87,422	1.65
				22-07-2016	826	Acquired	88,248	1.67
				29-07-2016	463	Acquired	88,711	1.68
				05-08-2016	449	Acquired	89,160	1.69
				19-08-2016	153	Acquired	89,313	1.69
				07-10-2016	677	Acquired	89,990	1.70
				28-10-2016	1,226	Acquired	91,216	1.73
				11-11-2016	327	Acquired	91,543	1.73
				18-11-2016	2,797	Acquired	94,340	1.78
				25-11-2016	1,470	Acquired	95,810	1.81

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total				No. of Shares	% of total
4	Kotak Emerging Equity Scheme (Continued)			03-03-2017	1,268	Acquired	97,078	1.84
				24-03-2017	1,746	Acquired	98,824	1.87
				31-03-2017	2,218	Acquired	1,01,042	1.91
				31-03-2017	–	–	1,01,042	1.91
5	SBI Small And Midcap Fund	79,139	1.50	01-04-2016	–	–	79,139	1.50
				08-04-2016	804	Acquired	79,943	1.51
				06-05-2016	10,057	Acquired	90,000	1.70
				14-10-2016	5,619	Acquired	95,619	1.81
				31-03-2017	–	–	95,619	1.81
6	Kotak Midcap	37,190	0.70	01-04-2016	–	–	37,190	0.70
				06-05-2016	-4,528	Disposed	32,662	0.62
				20-05-2016	-247	Disposed	32,415	0.61
				29-07-2016	446	Acquired	32,861	0.62
				05-08-2016	183	Acquired	33,044	0.62
				23-09-2016	924	Acquired	33,968	0.64
				30-09-2016	1,000	Acquired	34,968	0.66
				28-10-2016	2,814	Acquired	37,782	0.71
				04-11-2016	1,125	Acquired	38,907	0.74
				18-11-2016	296	Acquired	39,203	0.74
				31-03-2017	–	–	39,203	0.74
7	Megh Ishwer Manseta	36,250	0.69	01-04-2016	–	–	36,250	0.69
		31-03-2017	–	–	36,250	0.69		
8	Dolly Khanna	36,124	0.68	01-04-2016	–	–	36,124	0.68
		31-03-2017	–	–	36,124	0.68		
9	SBI FMCG Fund	25,895	0.49	01-04-2016	–	–	25,895	0.49
				16-09-2016	2,405	Acquired	28,300	0.54
				31-03-2017	–	–	28,300	0.54
10	Vikram Venture Capital Pvt. Ltd.	25,000	0.47	01-04-2016	–	–	25,000	0.47
		31-03-2017	–	–	25,000	0.47		

**Note:** The above information is based on the weekly beneficiary position received from the Depositories.

**(v) Shareholding of Directors and Key Managerial Personnel**

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Date	Increase in share holding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total				No. of shares	% of total
1	Brahm Vasudeva (Director)	18,29,632	34.60	01-04-2016	–	–	18,29,632	34.60
				26-05-2016	-100	Gift	18,29,532	34.60
				10-11-2016	-300	Gift	18,29,232	34.59
				03-02-2017	-100	Gift	18,29,132	34.59
				20-03-2017	-100	Gift	18,29,032	34.59
				31-03-2017	–	–	18,29,032	34.59
2	J. M. Mukhi (Director)	5,345	0.10	01-04-2016	–	–	5,345	0.10
				31-03-2017	–	–	5,345	0.10
3	Shishir K. Diwanji (Director)	2,475	0.05	01-04-2016	–	–	2,475	0.05
				31-03-2017	–	–	2,475	0.05
4	Subhadip Dutta Choudhury (Vice-Chairman and Managing Director)	50	0.00	01-04-2016	–	–	50	0.00
				31-03-2017	–	–	50	0.00
5	Sudeep Yadav (Executive Director- Finance & Administration and CFO)	101	0.00	01-04-2016	–	–	101	0.00
				31-03-2017	–	–	101	0.00

**Appendix III of the Directors' Report (Continued)**

**V. INDEBTEDNESS (of the Company including interest outstanding/accrued but not due for payment)**

				Rs. Lakhs	
		Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	5,77.97	Nil	26,27.14	32,05.11	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	1,87.57	1,87.57	
<b>Total (i+ii+iii)</b>	<b>5,77.97</b>	<b>Nil</b>	<b>28,14.71</b>	<b>33,92.68</b>	
<b>Change in Indebtedness during the financial year</b>					
Addition	Nil	Nil	3,98.10	3,98.10	
Reduction	-5,77.97	Nil	-1,10.15	-6,88.12	
<b>Net Change</b>	<b>-5,77.97</b>	<b>Nil</b>	<b>2,87.95</b>	<b>-2,90.02</b>	
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	Nil	Nil	27,33.19	27,33.19	
ii) Interest due but not paid	Nil	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	3,69.47	3,69.47	
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>31,02.66</b>	<b>31,02.66</b>	

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director and Whole Time Director:			Rs. Lakhs	
S. No.	Particulars of Remuneration	Name of MD/WTD	Total Amount	
1	Gross salary	Subhadip Dutta Choudhury Sudeep Yadav		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	56.16	67.73	1,23.89
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	16.76	1.34	18.09
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Commission (calculated as a % of profit)	2,03.36	1,29.39	3,32.75
<b>Total (A)</b>		<b>2,76.27</b>	<b>1,98.46</b>	<b>4,74.73</b>
Ceiling as per the Act				<b>7,39.67</b>

**B. Remuneration to other directors:**

Particulars of Remuneration	Name of Directors						Total
Independent Directors	J. M. Mukhi	Shishir K. Diwanji	Gerson da Cunha	Gen.V. N. Sharma (Retd.)	E. A. Kshirsagar	Ravi Kant	
Board/Committee meetings attendance fee	1.50	8.00	6.75	4.00	3.25	1.00	24.50
Commission	9.25	9.25	9.25	9.25	9.25	9.25	55.48
<b>Total (1)</b>	<b>10.75</b>	<b>17.25</b>	<b>16.00</b>	<b>13.25</b>	<b>12.50</b>	<b>10.25</b>	<b>79.98</b>
Non Executive Directors	Brahm Vasudeva			Susan M. Vasudeva			
Board/Committee meetings attendance fee	2.50			2.00			4.50
Commission	9.25			9.25			18.49
Other: Fee for Advisory Services	6.79			Nil			6.79
<b>Total (2)</b>	<b>18.54</b>			<b>11.25</b>			<b>29.78</b>
<b>Total (B)=(1+2)</b>							<b>1,09.76</b>

Total Managerial Remuneration (A+B)*	5,84.49
Overall Ceiling as per the Act	<b>8,13.64</b>

\* Includes Rs. 35.79 lakhs of fees which are not subject to the Overall Ceiling as per the Act.

**C. Remuneration to key managerial personnel other than Whole Time Directors:**

S. No.	Particulars of Remuneration of the Company Secretary	Rs. Lakhs
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	22.33
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0.98
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil
2	Profit Performance Incentive	24.09
	<b>Total</b>	<b>47.40</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL.****Appendix IV****Annual Report on Corporate Social Responsibility**

1. Brief outline of the Company's CSR Policy: The primary product of Hawkins Cookers Limited, the pressure cooker, is a fuel and time saving device which benefits the users and the environment. We should focus on areas like rural development, women's and children's health and nutrition, conservation of forests and soil and water, mid-day meals for school children and such activities where our expertise and products will help us ensure that we make a real difference.
2. Composition of the CSR Committee: Mr. Gerson da Cunha, Independent Director, Chairman; Mr. Subhadip Dutta Choudhury, Vice-Chairman & Chief Executive Officer; Mr. Sudeep Yadav, Executive Director-Finance & Administration.
3. Average net profit of the Company for last three financial years: Rs. 54.86 crores.
4. Required CSR Expenditure: Rs. 1.10 crores.
5. Details of CSR spend for the financial year: Amount spent for the financial year: Rs. 0.01 crore; Amount unspent: Rs. 1.09 crores; Project identified: 'Improving the Health of Women and Children by Cutting Indoor Air Pollution with Pressure Cooking'. Pilot projects were done in Rural Maharashtra.
6. The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Subhadip Dutta Choudhury  
Vice Chairman and Chief Executive Officer

Gerson da Cunha  
Chairman of CSR Committee

## Appendix V

### Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**I. Top ten employees in terms of remuneration drawn during the year and  
Employees with remuneration drawn during the year of Rs. One crore two lakhs or more**

S. No.	Name	Age	Designation Nature of Duties	Gross Remuneration (Rs.)	Qualification	Experi- ence (Years)	Date of Start of Employment	Last Employment	
								Name of Employer	Position Held
1	Subhadip Dutta Choudhury (Notes 1 & 4)	49	Vice-Chairman and Chief Executive Officer	2,76,27,468	B. Tech. Electrical Engineering, IIT, Kharagpur Post Graduate Diploma in Management, IIM, Calcutta	25	18.05.1992	-	-
2	Sudeep Yadav (Notes 2 & 4)	49	Executive Director-Finance and Administration	1,98,46,191	B. Tech. Textile Technology, IIT, Delhi Post Graduate Diploma in Management, IIM, Calcutta	25	22.07.2013	Citibank N.A.	Managing Director, Head-India, Citi Transaction Services
3	Tej Paul Sharma	55	Executive Vice President Sales	80,96,562	B. Com. St. Xavier's College Calcutta	35	14.11.1983	Speedo Sales Corporation	Salesman
4	Neil Vasudeva (Note 3)	46	Executive Vice President Marketing	77,78,672	B. A. St. Stephen's College, Delhi Post Graduate Diploma in Business Management, XLRI, Jamshedpur	24	5.11.1997	Reckitt & Colman of India Limited	Product Manager Pest Control
5	J. K. Chakrabarti	57	Senior Vice President Research and Development	69,48,250	B. E. Jadavpur University, Calcutta	35	31.01.1991	Philips India Limited	Assistant Manager R&D
6	K. S. Khera	56	Senior Vice President Personnel	65,36,637	B. Sc. Bareilly College	34	17.03.1992	Agro Tech India Limited	Security Officer
7	G. S. Bhumra	64	Senior Vice President Design and Development	62,34,378	B. E. Maharaja Sayajirao University, Vadodra Post Graduate Diploma in Product Design, IIT, Mumbai	39	13.01.2014	Hitech Plast	Vice-President Technology
8	Rahul Pathak	40	Senior Vice President Manufacturing Support	59,99,468	B. E. Bharti Vidyapeeth College of Engineering, Mumbai, M. E. – Production Engineering Veermata Jeejabai Technological Institute, Mumbai	16	28.04.2014	Accusonic Controls	CEO
9	Brahmananda Pani	52	Senior Vice President Finance and Accounts	57,07,937	CA, L L B, ICWA, CS, MBA, Xavier Institute of Management, Bhubaneswar	32	9.01.2012	BEM Limited	Dy. General Manager Finance and Accounts
10	Rajesh Sharma	56	Vice President Manufacturing	56,49,718	Diploma in Mechanical Engineering, Government Polytechnic, Hoshiarpur	38	23.07.1979	Punjab United Forge Limited	Trainee Diploma Engineer

**Notes:** 1. On contract basis. 2. On contract basis. Relative of Mr. Brahm Vasudeva, Chairman. 3. Relative of Mr. Brahm Vasudeva, Chairman and Mrs. Susan M. Vasudeva, Director. 4. Mr. Subhadip Dutta Choudhury and Mr. Sudeep Yadav were in receipt of remuneration during the year 2016-17 which in the aggregate was not less than Rupees one crore two lakhs.

## II. Details of remuneration of each Director/Company Secretary in 2016-17

Director/Company Secretary	% increase over previous year	Ratio to median remuneration
<b>Directors</b>		
Brahm Vasudeva	-0.3%	2.9 : 1
Subhadip Dutta Choudhury, Vice Chairman and Chief Executive Officer	22.0%	69.3 : 1
Sudeep Yadav, Executive Director – Finance & Administration and CFO	27.0%	49.8 : 1
J. M. Mukhi	-2.6%	2.7 : 1
Shishir K. Diwanji	2.8%	4.3 : 1
Gerson da Cunha	-0.2%	4.0 : 1
General V. N. Sharma (Retd.)	1.6%	3.3 : 1
E. A. Kshirsagar	-0.3%	3.1 : 1
Susan M. Vasudeva	-0.3%	2.8 : 1
Ravi Kant (Note 1)	–	2.6 : 1
<b>Company Secretary</b>		
Hutoxi Bhesania (Note 2)	-21.6%	Not Required

**Note:** 1. Mr. Ravi Kant was appointed as a Director with effect from June 1, 2016. 2. In 2015-16, Mrs. Bhesania received Profit Performance Incentive in respect of two years whereas in 2016-17 she received it in respect of one year.

## III. Number of permanent employees on the rolls of the Company:

as on 31.3.2017: 728; as on 31.3.2016: 789.

## IV. The median annual remuneration of all permanent employees

at the end of 2016-17 was Rs. 3.99 lakhs which was a 14.9% increase on the identical figure for 2015-16.

V. Taking into account the total remuneration of all employees of the Company (including temporary employees) in the year 2016-17 and dividing it by the number of such employees as at the end of the year, we arrive at the average remuneration per employee during the said year. When we compare the average remuneration per employee thus derived for 2016-17 with the identical computation for 2015-16, we get the percent increase in 2016-17 over its previous year.

The said comparison for employees other than Executive Directors in 2016-17 was an increase of 41.0% and for Executive Directors was an increase of 24.1%.

The increase of 41.0% for employees other than Executive Directors is also because of the reduction in the number of such employees from 1752 as at March 31, 2016, to 1334 as at March 31, 2017.

The increase in the remuneration of Executive Directors is as per the Remuneration Policy of the Company to employ the best available talent and to remunerate them competitively and fairly in line with the performance of the Company.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF CONDUCT

The Board has formulated The Corporate Governance Code of Conduct for all Directors and Senior Managers of the Company which has been posted on the website of the Company. It is hereby affirmed that all Directors and Senior Managers have complied with The Corporate Governance Code of Conduct framed by the Company and a confirmation to this effect for the year 2016-17 has been obtained from all Directors and Senior Managers. There is no instance of non-compliance.

BY ORDER OF THE BOARD OF DIRECTORS



SUBHADIP DUTTA CHOUDHURY  
VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER

# INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Hawkins Cookers Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated August 21, 2016.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of **Hawkins Cookers Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

## Management's Responsibility

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

## Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W / W-100018)



Sampada S. Narvankar  
Partner  
(Membership No. 102911)

Mumbai  
June 28, 2017

## REPORT ON CORPORATE GOVERNANCE

### **Company's Philosophy**

Hawkins Cookers Limited believes in corporate governance that optimises results in the present and the long-term, duly balancing the expectations of all major stakeholders, consumers, employees, associates and shareholders. It achieves the required results by focusing on technology, management and marketing in the area of durable products for consumers' kitchens. The Company is committed to transparency, fair dealings with all stakeholders and the creation of value on competitive merit.

### **Board of Directors**

As on date, the Board of Directors consists of ten Directors: a Non-Executive Chairman, a Vice-Chairman & Chief Executive Officer, an Executive Director, six Independent Directors and one Non-Executive Director. During the year under report, four Board Meetings were held: on May 19, August 4, October 26, 2016, and January 31, 2017. The Directors' attendance for the said meetings and other details are as follows:

Name & Director Identification Number	Position	Board Meetings Attended	Whether Attended Last AGM	Director of Other Companies	Number of Committee positions in Other Companies (Note 1)
Brahm Vasudeva 00177451	Promoter, Non-Executive Chairman	4	Yes	1	None
Subhadip Dutta Choudhury 00141545	Vice-Chairman & Chief Executive Officer, Executive Director	4	Yes	None	None
Sudeep Yadav (Note 2) 02909892	Executive Director – Finance & Administration	4	Yes	None	None
J. M. Mukhi 00049723	Independent Director	2	Yes	None	None
Shishir K. Diwanji 00087529	Independent Director	4	Yes	6 (Including one as Chairman)	2 (Including one as Chairman)
Gerson da Cunha 00060055	Independent Director	3	Yes	1	None
General V. N. Sharma (Retd.) 00177350	Independent Director	4	Yes	None	None
E. A. Kshirsagar 00121824	Independent Director	4	Yes	5	4 (Including three as Chairman)
Susan M. Vasudeva (Note 3) 06935629	Promoter Group, Non-Executive Director	4	Yes	None	None
Ravi Kant (Note 4) 00016184	Independent Director	2	Yes	3	2

**Notes:** **1.** As required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Committees considered here are only Audit Committee and Stakeholders' Relationship Committee. **2.** Mr. Sudeep Yadav is son-in-law of Mr. Brahm Vasudeva. **3.** Mrs. Susan M. Vasudeva is wife of Mr. Brahm Vasudeva. **4.** Mr. Ravi Kant was appointed as an Additional Director with effect from June 1, 2016, and as an Independent Director with effect from August 4, 2016.

### **Audit Committee**

The role of the Audit Committee in the year under report was to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; to recommend appointment, remuneration and terms of appointment of the statutory auditors; to approve payment to statutory auditors for any other services rendered by them; to examine and review, with the management, the quarterly and the annual financial statements and the auditors' report thereon before submission to the Board for approval with particular reference to (a) Matters required to be included in the Directors' Responsibility Statement in the Board's Report; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) required disclosure of any related party transactions; (g) qualifications in the draft audit report.

## **Corporate Governance Report (Continued)**

Further, the Audit Committee is required to review and monitor the statutory auditors' independence and performance and effectiveness of the audit process; to approve related party transactions as per the policy approved by the Board and any subsequent modifications thereof; to evaluate internal financial control and risk management systems; to review, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems; to review the adequacy of internal audit function; to discuss with the internal auditor any significant findings and follow-up thereon; to review the findings of internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board; to discuss with statutory auditors about the nature and scope of audit and post-audit areas of concern; to look into the reasons for substantial defaults in the payment to the depositors, shareholders and creditors; to review the functioning of the Whistle Blower Mechanism; to approve the appointment of the Chief Financial Officer. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and noted or acted upon, as required.

The Audit Committee, consisting of five Independent Directors, met four times during the year under report and the attendance of Members at the Meetings was as follows:

<b>Name of Director</b>	<b>Number of Meetings Attended</b>
E. A. Kshirsagar, Chairman	4
Shishir K. Diwanji	4
Gerson da Cunha	3
General V. N. Sharma (Retd.)	4
J. M. Mukhi	2

## **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of three Independent Directors and one non-Executive Director: Mr. Shishir K. Diwanji, Chairman, Mr. Gerson da Cunha, General V. N. Sharma (Retd.) and Mr. Brahm Vasudeva. The Nomination and Remuneration Committee is charged with the responsibility to formulate the criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees; to formulate the criteria for evaluation of the Independent Directors and the Board; to devise a policy on Board diversity; to identify persons who are qualified to become Directors and/or who may be appointed as senior management just below the level of Executive Directors in accordance with the criteria laid down and to recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee, met three times during the year under report and the attendance of Members at the Meetings was as follows:

<b>Name of Director</b>	<b>Number of Meetings Attended</b>
Shishir K. Diwanji, Chairman	3
Gerson da Cunha	2
General V. N. Sharma (Retd.)	3
Brahm Vasudeva	2

The Remuneration Policy formulated by the Company has been stated in the Directors' Report.

Criteria for the Evaluation of the Individual Performance of Independent Directors (IDs) recommended by the Nomination and Remuneration Committee and accepted by the Board are as stated hereinbelow:

**1.** The time and attention the ID is able to give to the business of the Company. **2.** The effectiveness and quality of the advice that the ID is able to contribute towards the functioning of the Board. **3.** The objectivity and quality of the advice the ID is able to contribute to the governance of the Company. **4.** The degree to which the ID is able to convey the concerns and needs of Society.

Criteria for the Evaluation of the Performance of the Board of Directors as a whole recommended by the Nomination and Remuneration Committee and accepted by the Board are as stated hereinbelow:

**1.** The level to which the Board has maintained and grown the reputation of the Company as well as the physical and financial assets of the Company. **2.** The level to which the Board has developed and maintained good relations with all stakeholders in the Company such as employees, associates, vendors, customers, consumers, investors, shareholders and the government. **3.** The level to which the Board has ensured that the Company is in compliance with all legal requirements.

**Directors' Remuneration**

The remuneration of the Executive Directors for the year 2016-17 is as per the table below:

Director	Salary	Provident Fund, Superannuation & Gratuity	Perquisites & Allowances	Commission	Total	Contract Period
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs	
Subhadip Dutta Choudhury	42.00	13.36	17.56	2,03.36	2,76.27	1.10.2016 to 30.9.2019
Sudeep Yadav	35.00	11.13	22.94	1,29.39	1,98.46	1.10.2016 to 30.9.2019

**Notes:** 1. One Lakh = 1,00,000. 2. The above figures do not include provision for encashable leave as the provision in the accounts for this item based on an actuarial valuation is made for all permanent employees taken together.

As per the contracts entered into by the Company with the Vice-Chairman & Chief Executive Officer and the Executive Director-Finance and Administration, their services may be terminated by either party at three months' notice. There is no provision in their contracts for payment of severance fees.

Benefits extended to Mr. Brahm Vasudeva, Chairman of the Board, for his Advisory Services for the year 2016-17 were Rs. 6.79 lakhs (as per the contract approved by the Members at the 53rd Annual General Meeting held on July 30, 2013). In addition, an office has been provided to the Non-Executive Chairman at the registered office of the Company.

During the year 2016-17, the Company paid Sitting fees to the Non-Executive Directors of Rs. 50,000 per Meeting of the Board and Rs. 25,000 per Meeting of the Committees of the Board for attending the Meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The Shareholders have at the AGM of the Company held on August 6, 2015, approved payment of Commission to the Non-Executive Directors within the ceiling of 1% of the Net Profits of the Company as computed under the applicable provisions of the Companies Act, 2013, for each year up to the next five years. For the year 2016-17, the Board has resolved to distribute the said Commission equally amongst the Non-Executive Directors.

Details of the remuneration to the Non-Executive Directors for the year 2016-17 are given in the table below:

Director	Commission Payable For The Year 2016-17 Rs. lakhs	Board Meeting Fees Rs. lakhs	Committee Meeting Fees Rs. lakhs	Total Rs. lakhs
Brahm Vasudeva	9.25	2.00	0.50	11.75
J. M. Mukhi	9.25	1.00	0.50	10.75
Shishir K. Diwanji	9.25	2.00	6.00	17.25
Gerson da Cunha	9.25	1.50	5.25	16.00
General V.N. Sharma (Retd.)	9.25	2.00	2.00	13.25
E. A. Kshirsagar	9.25	2.00	1.25	12.50
Susan M. Vasudeva	9.25	2.00	–	11.25
Ravi Kant	9.25	1.00	–	10.25
<b>Total</b>	<b>73.97</b>	<b>13.50</b>	<b>15.50</b>	<b>1,02.97</b>

**Shareholding of Non-Executive Directors as at 31.3.2017**

Director	Number of Shares Held
Brahm Vasudeva	18,29,032
J. M. Mukhi	5,345
Shishir K. Diwanji	2,475

## **Corporate Governance Report (Continued)**

### **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee consists of two Independent Directors, Mr. Shishir K. Diwanji, Chairman, and Mr. Gerson da Cunha and two Executive Directors, Mr. Subhadip Dutta Choudhury and Mr. Sudeep Yadav. Mrs. Hutoxi Bhesania, Company Secretary, is the Compliance Officer. The Committee met seventeen times in 2016-17. The number of shareholders' complaints received during the year 2016-17 are 34 (previous year: 44) and all have been satisfactorily resolved within the year.

### **General Body Meetings**

The last three Annual General Meetings were held as under:

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>Special Resolutions Passed</b>
2013-2014	19.9.2014	4:00 pm	Jai Hind College, 'A' Road, Churchgate, Mumbai 400020	None proposed.
2014-2015	6.8.2015	4:00 pm	Jai Hind College, 'A' Road, Churchgate, Mumbai 400020	Commission payable to Non-Wholifetime Directors in amounts or proportions as may be decided by the Board.
2015-2016	4.8.2016	4:00 pm	Jai Hind College, 'A' Road, Churchgate, Mumbai 400020	None proposed.

No special resolutions were required to be put through postal ballot in the year 2016-17. No special resolutions on matters requiring postal ballot are placed for shareholders' approval at the 57<sup>th</sup> Annual General Meeting.

### **Disclosures**

The Related Party Transactions Policy duly approved by the Board of Directors has been placed on the Company's website at <http://www.hawkinscookers.com/Rpt.aspx>. There were no transactions of a material nature during the year 2016-17 with the Promoters, the Directors or the Management or relatives that may have any potential conflict with the interest of the Company at large. Transactions with related parties as per the requirements of Accounting Standard 18 are disclosed in Point 14 in Note 23 forming part of the accounts.

There is no instance of non-compliance nor has any penalty or stricture been imposed by BSE Ltd. or SEBI in the year under report. There was one instance of delay in filing the Corporate Governance Report in the year previous to the year under report, for the quarter ended December 31, 2015, due to an inadvertent incorrect interpretation of Regulation 15 of the newly-promulgated SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which a fine of Rs. 14,885 (including service tax) was paid to BSE Ltd. Apart from the one instance mentioned above, there was no other instance of non-compliance nor has any penalty or stricture been imposed by BSE Ltd. or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.

The details of the establishment of Vigil Mechanism/Whistle Blower Policy have been stated in the Directors' Report. It is affirmed that no person has been denied access to the Chairman of the Audit Committee under the Vigil Mechanism/ Whistle Blower policy.

The details of the familiarization programmes for the Independent Directors are available at [www.hawkinscookers.com/idfp](http://www.hawkinscookers.com/idfp).

The Company is in compliance with all the applicable requirements of the Listing Agreement with BSE Ltd. and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The principal commodity used by the Company is aluminium. The globally accepted benchmark for aluminium prices is the price quoted on the London Metal Exchange. The monthly average of the LME quotations in April 2016 was US \$ 1,564 per tonne and in March 2017 was US \$ 1,902 per tonne. In the year 2016-17, the highest monthly average of the LME quotations was 9.8% higher than the average of the said averages for April 2016 and March 2017 and the lowest monthly average was 10.2% lower than the said average of the opening and closing month of the year. The Company does not undertake any commodity hedging activity.

### **Means of Communication**

During the year, quarterly results were approved by the Board of Directors and submitted to BSE Ltd. in terms of the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Quarterly results and all other mandated Notices are published as required in prominent local daily newspapers, namely, *The Economic Times* and *Maharashtra Times*. The results are displayed on the Company's website [www.hawkinscookers.com](http://www.hawkinscookers.com). No official news releases have been issued by the Company and no presentations have been made to institutional investors or to analysts. Management Discussion and Analysis is stated in the Directors' Report.

### **Shareholder Information**

The Annual General Meeting is to be held on Wednesday, August 2, 2017, at 4:00 pm at Patkar Hall, SNDT Women's University, Vithaldas Thackersey Marg, Churchgate, Mumbai 400020.

The Financial Calendar in the year 2017-18 is as follows:

May 25:	Approval of Annual Results of 2016-17		
July 8:	Mailing of Annual Report		
July 27 to August 2:	Dates of Book Closure		
August 2:	Approval of First Quarter Results		
August 2:	Annual General Meeting		
By September 1:	Payment of Dividend of Rs.70 per share (Subject to approval of the shareholders).		
November 8:	Approval of Second Quarter Results		
By February 14:	Approval of Third Quarter Results		

### **Stock Market Price data for the year 2016-2017**

The equity shares of the Company are listed on BSE Ltd., P. J. Towers, Dalal Street, Mumbai – 400001. Stock Code: 508486. The annual listing fees for the year 2017-18, as applicable, have been paid to BSE Ltd.

Month	Company Stock Prices Rs.		BSE Sensex	
	High	Low	High	Low
April	2724	2520	26101	24523
May	2800	2495	26837	25058
June	2600	2475	27105	25911
July	2718	2500	28240	27034
August	3050	2627	28532	27628
September	3070	2851	29077	27717
October	3610	2890	28478	27488
November	3247	2585	28030	25718
December	2685	2500	26804	25754
January	2880	2515	27980	26447
February	2974	2751	29065	27590
March	2919	2785	29825	28716

The Company's Registrar and Share Transfer Agent (RTA) is Link Intime India Pvt. Ltd (registered office at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400083). The RTA acknowledges and executes transfer of shares, arranges for issue of dividend, processes dematerialisation and rematerialisation of shares, receives and deals with complaints from investors under the supervision and control of the Company.

The Company's shares are traded on BSE Ltd. in dematerialised mode. Shares in physical mode which are lodged for transfer with the Company or the RTA are processed and returned to the shareholders within the stipulated 15 days.

As on March 31, 2017, 95.61% of the Company's total shares representing 50,55,480 shares were held in dematerialised mode and the balance 2,32,335 shares (4.39%) were held in physical mode.

**Corporate Governance Report (Continued)****DISTRIBUTION OF SHARES AS ON MARCH 31, 2017****By Size of Holding of the Shareholders.**

Holding	Shareholders		Shares	
	Number	%	Number	%
1 to 1,000	12,649	98.69	9,16,883	17.34
1,001 to 5,000	123	0.96	2,64,467	5.00
5,001 to 10,000	12	0.09	82,817	1.57
Above 10,000	33	0.26	40,23,648	76.09
<b>Total</b>	<b>12,817</b>	<b>100.00</b>	<b>52,87,815</b>	<b>100.00</b>

**By Category of Shareholders.**

Category	Number of Shares	Shareholding
Promoters	29,62,836	56.03%
Individuals and Others	14,97,000	28.31%
Mutual Funds	6,37,552	12.06%
Bodies Corporate	1,61,233	3.05%
Foreign Portfolio Investors	16,848	0.32%
Banks/Financial Institutions	12,346	0.23%
<b>Total</b>	<b>52,87,815</b>	<b>100.00%</b>

Certain figures in certain tables that appear in this report apparently do not add up because of rounding off but are wholly accurate in themselves.

In 2016-17, the Company's exports were all on advance payment or Letters of Credit at sight. Therefore, the foreign exchange risk was minimal. The Company undertook no hedging activity.

The Company's plants are located at Thane (Maharashtra), Hoshiarpur (Punjab) and in Satharia, Jaunpur District (UP).

**Address for Communication:** The Company's registered office is situated at Maker Tower F101, Cuffe Parade, Mumbai 400005. Shareholders holding shares in dematerialised mode should address their correspondence regarding change of address/bank details to their respective Depository Participant. Shareholders holding physical shares should address their correspondence to the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd. at the address given in this report hereinabove or to the Company.

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAWKINS COOKERS LIMITED

## Report on the Financial Statements

We have audited the accompanying financial statements of **HAWKINS COOKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, read with the Basis of preparation of financial statements paragraph in Note 1(a), 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report read with the Basis of preparation of financial statements paragraph in Note 1(a) are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company

### **Independent Auditor's Report (Continued)**

and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 23(4) to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings

in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note 23(16) to the financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W / W-100018)



Sampada S. Narvankar  
Partner  
(Membership No. 102911)

Mumbai  
25<sup>th</sup> May, 2017

### **Annexure "A" to the Independent Auditor's Report**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **HAWKINS COOKERS LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating

## **Independent Auditor's Report (Continued)**

the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)



Sampada S. Narvankar

Partner

(Membership No. 102911)

Mumbai  
25<sup>th</sup> May, 2017

### **See on page 24:**

### **Annexure "B" to the Independent Auditor's Report**

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

**Annexure "B" to the Independent Auditor's Report**

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company (formerly known as Pressure Cookers & Appliances Limited) as at the balance sheet date, except the following:

<b>Particulars of the land</b>	<b>Gross Block (as at 31<sup>st</sup> March, 2017)</b>	<b>Net Block (as at 31<sup>st</sup> March, 2017)</b>	<b>Remarks</b>
Freehold land located at Hoshiarpur admeasuring 20 Acres	Rs. 2 lakh	Rs. 2 lakh	The possession of land has been given to the Company by the Government of Punjab, as per the agreement, the conveyance of which has yet to be finalised.

In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company (formerly known as Pressure Cookers & Appliances Limited), where the Company is the lessee in the agreement except the following:

<b>Particulars of the land</b>	<b>Gross Block (as at 31<sup>st</sup> March, 2017)</b>	<b>Net Block (as at 31<sup>st</sup> March, 2017)</b>	<b>Remarks</b>
Leasehold Land located at Jaunpur (Satharia) Plot no A1, A2,A14,A15 admeasuring 24,282 m <sup>2</sup>	Rs. 0.83 lakh	Rs. 0.58 lakh	The registered sale deed is in the name of M/s PCA Engineers Limited (erstwhile Company) that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court of Bombay.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.

**Continued on next page.**

**(c) Details of dues of Income-tax, Wealth Tax, Sales Tax, Excise Duty, Service Tax and Value Added Tax which have not been deposited as on 31<sup>st</sup> March, 2017 on account of disputes are given below:**

(Rs. in Lakhs)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved	Amount paid	Amount Unpaid
Income Tax Act, 1961	Wealth Tax	Commissioner of Income Tax (Appeals)	AY 2005-2006	0.10	–	0.10
	Tax deducted at source and Interest thereon.	Commissioner of Income Tax (Appeals)	AY 2009-2010 and 2011-2012	1.48	–	1.48
Sales Tax, Value Added Tax and Central Sales Tax Laws	Sales Tax / Value Added Tax / Central Sales Tax	Appellate Authority – upto Commissioner's Level	1987-2014	41.24	2.18	39.06
		Patna High Court	2005-2006	26.69	6.68	20.01
		Joint Commissioner of Sales Tax	2009-2011	93.20	6.85	86.35
		Assistant Commissioner of Taxes	2013-2015	79.42	77.31	2.11
	Purchase Tax	Commercial Tax Tribunal	1999-2007	27.13	–	27.13
Central Excise Act, 1944 and Finance Act, 1994	Excise Duty, Service Tax and Penalties	Commercial Tax Tribunal	March 2009 to January 2010	29.54	–	29.54
		Commissioner of Central Excise Appeals	2008-2016	132.54	4.00	128.54
		Customs, Excise and Service Tax Appellate Tribunal	1981-1984, 2002-2015	1,317.86	48.81	1,269.05

There are no dues of Customs Duty as on 31<sup>st</sup> March, 2017 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not taken any loans or borrowings from financial institution and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where

applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W / W-100018)

Mumbai  
25<sup>th</sup> May, 2017

Sampada S. Narvankar  
Partner  
(Membership No. 102911)

# BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at March 31, 2017		As at March 31, 2016	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
<b>Equity and Liabilities</b>					
SHAREHOLDERS' FUNDS					
Share Capital	2	<b>528.78</b>		528.78	
Reserves and Surplus	3	<b>10138.88</b>	<b>10667.67</b>	<u>5578.04</u>	6106.83
NON-CURRENT LIABILITIES					
Long-Term Borrowings	4	<b>887.41</b>		1909.96	
Long-Term Provisions	5	<b>410.69</b>	<b>1298.10</b>	<u>287.51</u>	2197.47
CURRENT LIABILITIES					
Short-Term Borrowings	6	<b>623.58</b>		1229.03	
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	23(7)	<b>275.60</b>		37.07	
Total outstanding dues other than micro enterprises and small enterprises		<b>4778.07</b>		4509.60	
Other Current Liabilities	7	<b>5634.61</b>		3558.75	
Short-Term Provisions	8	<b>259.70</b>	<b>11571.56</b>	<u>4038.13</u>	13372.58
<b>TOTAL</b>			<b>23537.33</b>		<u>21676.88</u>
<b>Assets</b>					
NON-CURRENT ASSETS					
Fixed Assets	9				
Tangible Assets - Property Plant & Equipment		<b>2183.29</b>		2195.04	
Intangible Assets		<b>NIL</b>		NIL	
Capital Work-In-Progress		<b>117.23</b>		113.13	
		<b>2300.51</b>		2308.17	
Non-Current Investments	10	<b>0.25</b>		0.25	
Deferred Tax Assets (net)	11	<b>138.18</b>		2.12	
Long Term Loans and Advances	12	<b>758.51</b>	<b>3197.46</b>	<u>807.04</u>	3117.58
CURRENT ASSETS					
Inventories	13(1)	<b>8275.41</b>		8322.57	
Trade Receivables	14	<b>4634.70</b>		4508.84	
Cash and Cash Equivalents	15	<b>6668.75</b>		5104.95	
Short-Term Loans and Advances	16	<b>761.01</b>	<b>20339.87</b>	<u>622.94</u>	18559.29
<b>TOTAL</b>			<b>23537.33</b>		<u>21676.88</u>

See accompanying notes 1 to 23 forming part of the financial statements.

In terms of our report attached  
For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

  
Sampada S Narvankar  
Partner

Mumbai: May 25, 2017

  
Brahm Vasudeva

Chairman

  
S. Dutta Choudhury

Vice-Chairman &  
Chief Executive Officer

  
E. A. Kshirsagar

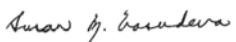
Director

  
S. K. Diwanji

Director

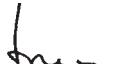
  
Gerson da Cunha

Director

  
Susan M. Vasudeva

Director

Gen. V. N. Sharma (Retd.)  
Director

  
Ravi Kant

Director

  
Sudeep Yadav

Executive Director-  
Finance & Administration

  
Hutoxi Bhesania

Company Secretary

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

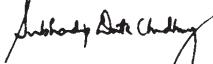
	Note No.	For the year ended March 31, 2017		For the year ended March 31, 2016	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Revenue from Operations – Gross	17	<b>60616.23</b>		57130.50	
Less: Excise duty		<b>2754.87</b>		2695.29	
Revenue from Operations – Net		<b>57861.36</b>		54435.21	
Other Income	18	<b>447.86</b>		325.12	
Total Revenue			<b>58309.22</b>		54760.33
Expenses:					
Cost of Materials Consumed	19	<b>16340.44</b>		17474.94	
Purchases of Stock-in-Trade		<b>5478.27</b>		5187.98	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	13(2)	<b>125.77</b>		—1223.03	
Employee Benefits Expense	20	<b>7536.78</b>		6962.51	
Finance Costs	21	<b>428.37</b>		344.56	
Depreciation and Amortization Expense		<b>346.53</b>		345.02	
Other Expenses	22	<b>21233.30</b>		19241.45	
Total Expenses			<b>51489.45</b>		48333.43
Profit before Exceptional Item			<b>6819.77</b>		6426.90
Exceptional Item			<b>NIL</b>		404.17
Profit Before Tax			<b>6819.77</b>		6022.73
Tax Expense:					
Current tax		<b>2385.00</b>		2025.00	
Deferred tax		<b>—136.06</b>		—36.07	
Prior Years' Short Provisions		<b>9.99</b>		<b>NIL</b>	
			<b>2258.93</b>		1988.93
Profit for the Year			<b>4560.84</b>		4033.80
Earning Per Share (face value Rs. 10 each) Basic and Diluted - (in Rupees)	23(10)		<b>86.25</b>		76.28

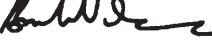
See accompanying notes 1 to 23 forming part of the financial statements.

  
Gerson da Cunha  
Director

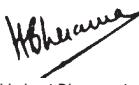
  
S. K. Diwanji  
Director

  
E. A. Kshirsagar  
Director

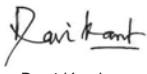
  
S. Dutta Choudhury  
Vice-Chairman &  
Chief Executive Officer

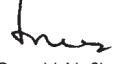
  
Brahm Vasudeva  
Chairman

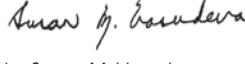
In terms of our report attached  
For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

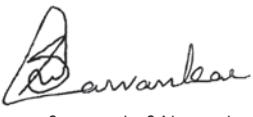
  
Hutoxi Bhesania  
Company Secretary

  
Sudeep Yadav  
Executive Director-  
Finance & Administration

  
Ravi Kant  
Director

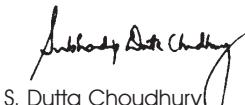
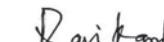
 Gen. V. N. Sharma (Retd.)  
Director

  
Susan M. Vasudeva  
Director

  
Sampada S Narvankar  
Partner

Mumbai: May 25, 2017

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	For the year ended <b>March 31, 2017</b> Rs. Lakhs	For the year ended March 31, 2016 Rs. Lakhs	
<b>A. Cash Flow from Operating Activities:</b>			Signatures to Cash Flow Statement
Profit before tax	<b>6819.77</b>	6022.73	 Brahm Vasudeva Chairman
Adjustments for:			 S. Dutta Choudhury Vice-Chairman & Chief Executive Officer
Depreciation and amortization expense	<b>346.53</b>	345.02	
Profit on sale of fixed assets (net)	<b>—2.29</b>	—5.00	
Interest income	<b>—385.50</b>	—306.38	
Dividend income	<b>—0.04</b>	—0.04	
Finance costs	<b>428.37</b>	344.56	
Provision for compensated absences	<b>165.09</b>	24.86	
Operating profit before working capital changes	<b>7371.93</b>	6425.75	 E. A. Kshirsagar Director
Changes in working capital			 S. K. Diwanji Director
Adjustments for —increase/decrease in operating assets			
Inventories	<b>47.16</b>	—1502.94	
Trade receivables	<b>—125.86</b>	—151.46	
Short term loans and advances	<b>—138.08</b>	4.03	
Long term loans and advances	<b>—65.98</b>	—129.34	
Adjustments for increase/—decrease in operating liabilities			
Trade payables	<b>507.00</b>	788.40	
Other current liabilities	<b>685.01</b>	—164.00	
Cash generated from operations	<b>8281.18</b>	5270.44	 Gerson da Cunha Director
Income taxes paid (net)	<b>—2250.19</b>	—1815.12	 Susan M. Vasudeva Director
<b>Net Cash Flow from Operating Activities</b>	<b>A</b>	<b>6030.99</b>	3455.32
<b>B. Cash Flow from Investing Activities:</b>			 Gen. V. N. Sharma (Retd.) Director
Purchase of fixed assets (including capital advances)	<b>—383.79</b>	—318.69	
Proceeds from sale of fixed assets	<b>15.17</b>	7.36	
Interest received	<b>385.50</b>	306.38	
Dividend received	<b>0.04</b>	0.04	
<b>Net Cash from/—used in Investing Activities</b>	<b>B</b>	<b>16.92</b>	—4.91
<b>C. Cash Flow from Financing Activities:</b>			 Ravi Kant Director
Finance costs paid	<b>—246.47</b>	—202.92	
Dividend paid (including tax on dividend)	<b>—3792.15</b>	—2844.25	
Increase/—Decrease in short term borrowings	<b>—577.97</b>	577.97	
Proceeds from public deposits	<b>216.20</b>	786.60	
Repayment of public deposits	<b>—110.15</b>	—35.38	
<b>Net Cash used in Financing Activities</b>	<b>C</b>	<b>—4510.54</b>	—1717.98
<b>Net Increase in Cash and Cash Equivalents</b>	<b>A + B + C</b>	<b>1537.37</b>	1732.43
Cash and cash equivalents at the commencement of the year	<b>D</b>	<b>4891.84</b>	3159.41
Cash and cash equivalents as at the end of the year (Note 15)	<b>E</b>	<b>6429.21</b>	4891.84
<b>Net Increase in Cash and Cash Equivalents</b>	<b>E - D</b>	<b>1537.37</b>	1732.43

Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

See accompanying notes 1 to 23 forming part of the financial statements.

## AUDITORS' REPORT

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

  
Sampada S Narvankar  
Partner  
Mumbai: May 25, 2017

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1:

## **Significant Accounting Policies**

### **a. Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India, to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Certain figures apparently do not add up because of rounding off but are wholly accurate in themselves.

### **b. Use of estimates**

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

### **c. Sales and Other Income**

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the despatch of goods to customers.

Interest Income is accounted on accrual basis. Dividend Income is accounted when the right to receive any dividend is established.

### **d. Research and Development**

Research and development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

### **e. Employee Benefits**

Defined Contribution Plan:

Contributions to Provident Fund, Superannuation Fund, Deposit linked & Employee State Insurance are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plan/Long Term compensated absences:

Liability towards Gratuity fund and Long Term compensated absences are determined by independent actuaries, using the projected unit credit method. Actuarial gains and losses are recognised immediately as income or expense in the Statement of Profit and Loss. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Provident Fund:

The Company's Provident Fund operates under exemption granted under Section 17(1)(a) of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Conditions for exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trust as compared to the statutory limit.

### **f. Operating Lease**

Assets taken on lease under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

### **g. Fixed Assets**

The gross block of fixed assets is stated at cost of acquisition or construction including any attributable cost of bringing the asset to its working condition for its intended use.

### **h. Depreciation and Amortization**

Depreciation on Fixed Assets for the year has been provided on all assets on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

### **i. Inventories**

Raw Materials are valued at lower of weighted average cost and estimated net realisable value (NRV). Materials other than Raw Materials are valued on the basis of First-In, First-Out or NRV whichever is lower. Work in progress and Finished Goods include costs of conversion and other costs incurred in bringing the inventories to their present location and condition and excise duty if applicable.

### **j. Investments**

Investments, all of which are long term, are stated at cost less provision, if any, for decline other than temporary in value of such investments.

### **k. Export Benefits**

Duty benefits against exports are accounted for on accrual basis.

### **l. Foreign Currency Translations and Transactions**

Foreign currency monetary current assets and current liabilities are translated at rates ruling at the year end and exchange differences are recognised in the Statement of Profit and Loss. The company has not entered into any foreign exchange forward contracts during the year. All the transactions are recorded at the then prevailing rate of exchange.

### **m. Taxes on Income**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **n. Contingent Liabilities**

Contingent Liabilities are disclosed in the notes to accounts. Provision is made in the accounts if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS** (continued)

**NOTE 2**

<b>Share Capital</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
AUTHORISED		
1,00,00,000 (previous year: 1,00,00,000) Equity Shares of Rs. 10 each	<b>1000.00</b>	1000.00
ISSUED AND SUBSCRIBED		
52,87,815 (previous year: 52,87,815) Equity Shares of Rs. 10 each, fully paid up. No change in the year and previous year.		
The Company has one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.	<b>528.78</b>	528.78
Shareholders holding more than 5 percent Equity Shares		
– Mr. Brahm Vasudeva: 18,29,032 (34.59%) [previous year 18,29,632 (34.60%)] Equity Shares		
– Mr. Neil Vasudeva: 3,80,032 (7.19%) [previous year 3,80,032 (7.19%)] Equity Shares		
– Mr. Nikhil Vasudeva: 3,80,032 (7.19%) [previous year 3,80,032 (7.19%)] Equity Shares		

**NOTE 3**

<b>Reserves and Surplus</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
SECURITIES PREMIUM ACCOUNT	<b>249.25</b>	249.25
GENERAL RESERVE		
As per last Balance Sheet	<b>4052.09</b>	3952.09
Add: Transfer from Surplus in the Statement of Profit and Loss	<b>100.00</b>	100.00
SURPLUS IN THE STATEMENT OF PROFIT & LOSS		
As per last Balance sheet	<b>1276.71</b>	1161.49
Add: Profit for the year	<b>4560.84</b>	4033.80
Amount available for appropriation	<b>5837.55</b>	5195.30
Less: Appropriations		
Proposed dividend {refer note 23(1)}	<b>NIL</b>	3172.69
Tax on proposed dividend	<b>NIL</b>	645.90
Transfer to General Reserve	<b>100.00</b>	100.00
Total Appropriation	<b>100.00</b>	3918.59
Balance Surplus	<b>5737.55</b>	1276.71
Total Reserves and Surplus	<b>10138.88</b>	5578.04

**NOTE 4**

<b>Long Term Borrowings (Unsecured)</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
FIXED DEPOSITS:		
From Related parties	<b>NIL</b>	220.00
From Others	<b>887.41</b>	1689.96
	<b>887.41</b>	1909.96

## NOTE 5

<b>Long Term Provisions</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
Provision for employee benefits (Compensated Absences)	<b>410.69</b>	287.51

## NOTE 6

<b>Short Term Borrowings</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
Fixed Deposits (Unsecured)		
From Related parties	<b>492.63</b>	492.63
From Others	<b>130.95</b>	158.43
Bank Overdraft	<b>NIL</b>	577.97
	<b>623.58</b>	1229.03

## NOTE 7

<b>Other Current Liabilities</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
Fixed Deposits (Unsecured - current maturities of long term borrowings)		
From Related parties	<b>220.00</b>	NIL
From Others	<b>1002.20</b>	66.12
Interest accrued but not due on borrowings	<b>369.47</b>	187.57
Unclaimed Dividends (There is no amount due and outstanding as at Balance Sheet date to be credited to Investor Education and Protection Fund)	<b>239.55</b>	213.12
Other payables:		
Employee benefits	<b>1763.91</b>	1586.18
Advance payments from customers	<b>511.99</b>	383.71
Trade and Security Deposits received	<b>323.43</b>	303.43
Statutory dues	<b>754.62</b>	603.06
Gratuity Liability	<b>449.43</b>	215.57
	<b>3803.39</b>	3091.94
	<b>5634.61</b>	3558.75

## NOTE 8

<b>Short Term Provisions</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
Provision for employee benefits (Compensated Absences)	<b>121.93</b>	80.02
Provision for Income Tax (net of advance tax paid Rs. 2247.23 Lakhs) (previous year advance tax Rs. 1885.48 Lakhs)	<b>137.77</b>	139.52
Others:		
Provision for Proposed Dividend {refer note 23(1)}	<b>NIL</b>	3172.69
Provision for tax on Proposed Dividend	<b>NIL</b>	645.90
	<b>259.70</b>	3818.59
		4038.13

## NOTE 9 Fixed Assets AT PAGE 32

<b>Non Current Investments</b>	<b>As at March 31, 2017</b> <b>Rs. Lakhs</b>	As at March 31, 2016 Rs. Lakhs
Investments in equity instruments (at cost):		
Unquoted and Non-Trade		
2,500 Shares of Rs. 10 each fully paid up in Saraswat Co-operative Bank Ltd.	<b>0.25</b>	0.25

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

NOTE 9	Fixed Assets (Figures in Rs. Lakhs)	GROSS BLOCK		DEPRECIATION			NET BLOCK As at March 31, 2017
		As at April 1, 2016	Additions Disposals	As at March 31, 2017	As at April 1, 2016	Depreciation/ Amortization	
TANGIBLE ASSETS							
Land Leasehold	3.42 (3.42)	NIL (NIL)	NIL (NIL)	<b>3.42</b> <b>(3.42)</b>	1.49 (1.46)	0.03 (0.03)	NIL (NIL)
Land Freehold	2.00 (2.00)	NIL (NIL)	NIL (NIL)	<b>2.00</b> <b>(2.00)</b>	NIL (NIL)	NIL (NIL)	<b>NIL</b> <b>(NIL)</b>
Buildings*	884.00 (881.46)	15.97 (2.54)	NIL (NIL)	<b>899.97</b> <b>(884.00)</b>	513.22 (496.01)	17.19 (17.21)	NIL (NIL)
Plant & Equipment	3974.97 (3727.29)	273.22 (271.78)	159.67 (24.10)	<b>4088.52</b> <b>(3974.97)</b>	2351.22 (2106.87)	269.45 (267.25)	150.55 (22.90)
Furniture & Fixtures	148.91 (144.59)	3.26 (4.89)	0.34 (0.57)	<b>151.83</b> <b>(148.91)</b>	120.19 (118.03)	3.02 (2.70)	0.34 (0.54)
Vehicles	153.97 (152.88)	NIL (4.50)	9.66 (3.41)	<b>144.31</b> <b>(153.97)</b>	65.13 (49.83)	17.04 (17.77)	8.04 (2.47)
Office Equipment	461.82 (429.45)	55.17 (35.88)	43.20 (3.51)	<b>473.79</b> <b>(461.82)</b>	382.80 (346.07)	39.80 (40.06)	41.10 (3.33)
TOTAL TANGIBLE ASSETS	5629.09 (5341.09)	347.62 (319.59)	212.87 (31.59)	<b>5763.84</b> <b>(5629.09)</b>	3434.05 (3118.27)	346.53 (345.02)	200.03 (29.24)
INTANGIBLE ASSETS							
Trade Mark	5.47 (5.47)	NIL (NIL)	NIL (NIL)	<b>5.47</b> <b>(5.47)</b>	5.47 (5.47)	NIL (NIL)	<b>5.47</b> <b>(5.47)</b>
TOTAL	5634.56	347.62	212.87	<b>5769.31</b>	3439.52	346.53	200.03
Previous year	5346.56	319.59	31.59	5634.56	3123.74	345.02	29.24
Capital Work-in-Progress							3439.52
TOTAL							2195.04
							117.23
							113.13
							2308.17

\* Include shares in Co-operative Societies.  
Previous year's figures are given in brackets.

## NOTE 11

	As at March 31, 2017 Rs. Lakhs	As at March 31, 2016 Rs. Lakhs
<b>Deferred Tax Assets (net)</b>		
Deferred Tax Assets		
On employee separation and retirement	<b>324.50</b>	201.81
On provision for debts considered uncertain of recovery	1.23	1.23
On other timing differences	<b>52.87</b>	47.45
Less: Deferred Tax Liabilities		
Difference between book balance and tax balance of fixed asset	<b>240.43</b>	248.38
Deferred Tax Asset (net)	<b>138.18</b>	2.12

## NOTE 12

	As at March 31, 2017 Rs. Lakhs	As at March 31, 2016 Rs. Lakhs
<b>Long Term Loans and Advances</b> (Unsecured and considered good)		
Capital Advances	<b>45.97</b>	13.89
Security deposits	<b>380.99</b>	315.01
Other loans and advances:		
Excess taxation payments (net of provision Rs. 7884.48 lakhs) (previous year provision Rs. 11095.10 lakhs)	<b>331.55</b>	478.14
	<b>758.51</b>	807.04

## NOTE 13

	As at March 31, 2017 Rs. Lakhs	As at March 31, 2016 Rs. Lakhs
<b>1. Inventories</b> (at lower of cost and net realisable value)		
Raw Materials:		
Aluminium	<b>1246.50</b>	1069.46
Others	<b>713.96</b>	801.31
Work in progress:		
Pressure Cookers	<b>1637.18</b>	2038.32
Others	<b>1.95</b>	2.00
Finished Goods:		
Pressure Cookers	<b>3368.76</b>	2954.10
Others	<b>159.81</b>	234.12
Stock in trade (Cookware)	<b>898.25</b>	963.18
Stores & Spares	<b>84.77</b>	92.36
Packing Materials	<b>164.22</b>	167.71
	<b>8275.41</b>	8322.57
<b>2. Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
Opening Stock		
Work in Progress	<b>2040.32</b>	1977.64
Finished Goods	<b>3188.22</b>	2000.81
Stock in Trade (Cookware)	<b>963.18</b>	990.24
Closing Stock		
Work in Progress	<b>1639.13</b>	2040.32
Finished Goods	<b>3528.57</b>	3188.22
Stock in Trade (Cookware)	<b>898.25</b>	963.18
Change	<b>125.77</b>	6191.72
		—1223.03

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

NOTE 14

<b>Trade Receivables</b> (Unsecured)	<b>As at March 31, 2017</b>		As at March 31, 2016	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Receivables outstanding for a period exceeding six months from due date:				
Considered good	<b>90.25</b>		29.47	
Considered uncertain of recovery	<b>0.96</b>		0.96	
	<b>91.21</b>		30.43	
Less: Provision for receivables considered uncertain of recovery	<b>0.96</b>		0.96	
	<b>90.25</b>		29.47	
Others – Considered good	<b>4544.45</b>	<b>4634.70</b>	4479.37	4508.84

NOTE 15

<b>Cash and Cash Equivalents</b>	<b>As at March 31, 2017</b>		As at March 31, 2016	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Cash on Hand	<b>0.61</b>		1.74	
Balances with Banks – on current accounts	<b>388.51</b>		269.84	
Balances with Banks – on deposit accounts	<b>6040.09</b>	<b>6429.21</b>	4620.27	4891.84
Earmarked balances with Banks – for unpaid dividends		<b>239.55</b>		213.12
		<b>6668.75</b>		5104.95

NOTE 16

<b>Short Term Loans and Advances</b> (Unsecured and considered good)	<b>As at March 31, 2017</b>		As at March 31, 2016	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Prepaid Expenses	<b>76.20</b>		47.38	
Other Loans and Advances:				
Cenvat/Service tax/VAT etc. Recoverable	<b>239.36</b>		252.35	
Others	<b>445.44</b>	<b>761.01</b>	323.20	622.94

NOTE 17

<b>Revenue from Operations</b>	<b>For the year ended March 31, 2017</b>		For the year ended March 31, 2016	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Sale of Products:				
Pressure Cookers	<b>48604.54</b>		45966.01	
Cookware (Traded)	<b>9483.28</b>		8595.94	
Spare Parts and Others	<b>1761.23</b>	<b>59849.05</b>	1723.38	56285.33
Other operating revenues:				
Sale of Scrap	<b>510.49</b>		583.68	
Cash Discounts, Export Benefits etc.	<b>256.69</b>	<b>767.18</b>	261.49	845.17
		<b>60616.23</b>		57130.50

## NOTE 18

<b>Other Income</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>	
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
Interest Income	<b>385.50</b>		306.38	
Dividend Income	<b>0.04</b>		0.04	
Other Non Operating Income	<b>62.32</b>	<b>447.86</b>	18.70	325.12

## NOTE 19

<b>Cost of Materials Consumed</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>	
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
Aluminium	<b>9079.62</b>		10191.94	
Packaging	<b>2549.27</b>		2616.50	
Others	<b>4711.55</b>	<b>16340.44</b>	4666.51	17474.94

## NOTE 20

<b>Employee Benefits Expenses</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>	
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
Salaries, Wages and Bonus	<b>6403.00</b>		6063.27	
Contribution to Provident Fund and Other Funds	<b>857.66</b>		627.22	
Staff Welfare Expenses	<b>276.11</b>	<b>7536.78</b>	272.02	6962.51

## NOTE 21

<b>Finance Costs</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>	
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
Interest Expense	<b>422.05</b>		338.93	
Other Borrowing costs	<b>6.32</b>	<b>428.37</b>	5.63	344.56

## NOTE 22

<b>Other Expenses</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>	
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
Excise Duty on Inventory	<b>25.52</b>		134.05	
Sub-contracting	<b>3673.71</b>		3811.00	
Consumption of Stores, Spares and Tools	<b>377.63</b>		378.37	
Power and Fuel	<b>871.25</b>		883.26	
Packing and Forwarding Charges	<b>3501.19</b>		3235.34	
Rent	<b>105.99</b>		86.52	
Insurance	<b>18.31</b>		16.00	
Repairs and Maintenance – Buildings	<b>282.02</b>		281.39	
Repairs and Maintenance – Plant and Machinery	<b>279.58</b>		245.01	
Advertising	<b>2661.01</b>		2333.48	
Discounts	<b>6633.35</b>		5774.53	
Rates and Taxes	<b>124.08</b>		104.38	
Dealer Conference Expenses	<b>858.88</b>		253.84	
CSR Expense	<b>0.86</b>		NIL	
Miscellaneous Expenses	<b>1819.91</b>	<b>21233.30</b>	1704.28	19241.45

## NOTE 23

**Other Notes Forming Part of the Accounts**

- 1 The Board has recommended a dividend of Rs. 70 per equity share of paid-up and face value of Rs. 10 each (previous year Rs. 60 per equity share of paid-up and face value of Rs. 10 each) which, if approved by the shareholders, shall amount to Rs. 3701.47 Lakhs (previous year Rs. 3172.69 Lakhs). As required by AS 4, the dividend proposed by the Board but not yet declared by the Company has not been deducted from the reserves and surplus in the year ended March 2017.
- 2 Estimated amount of contracts remaining to be executed on capital account not provided for is Rs. 13.60 Lakhs (previous year: Rs. 19.68 Lakhs).
- 3 The possession of 20 acres of land has been given to the Company by the Government of Punjab, as per the agreement, the conveyance of which has yet to be finalised.
- 4 Claims against the Company not acknowledged as debts are gross Rs. 1838.54 Lakhs (previous year: Rs. 1795.14 Lakhs), net of tax Rs. 1415.62 Lakhs (previous year: Rs. 1381.28 Lakhs). These comprise:
  - (a) Excise Duty, V.A.T./Sales Tax and other claims disputed by the Company relating to issues of applicability, classification etc. aggregating gross Rs. 1836.96 Lakhs (previous year: Rs. 1793.42 Lakhs), net of tax Rs. 1414.03 Lakhs (previous year: Rs. 1379.56 Lakhs).
  - (b) Income Tax claims disputed by the Company relating to allowability of certain expenses, payment of taxes deducted at source etc. aggregating gross Rs. 1.58 Lakhs (previous year: Rs. 1.72 Lakhs), net of tax Rs. 1.58 Lakhs (previous year: Rs. 1.72 Lakhs)
- 5 The net gain on foreign exchange translations credited to the Statement of Profit and Loss is Rs. 24.82 Lakhs (previous year: gain credited Rs. 2.32 Lakhs).
- 6 The Company operates in a single segment, manufacture, trading and sale of Kitchenware.
- 7 The identification of vendors as a "Supplier" under the Micro, Small and Medium Enterprises Development Act, 2006 has been done on the basis of information to the extent provided by the vendors to the Company. This has been relied upon by the auditors.
- 8 Research and Development costs debited to the Statement of Profit and Loss is Rs. 391.87 Lakhs (previous year: Rs. 332.79 Lakhs). Research and Development expenditure of capital nature is Rs. 14.33 Lakhs (previous year: Rs. 5.65 Lakhs).

## NOTE 23 (continued)

## 9. Auditors' Remuneration (excluding service tax)

	For the year ended March 31, 2017 Rs. Lakhs	For the year ended March 31, 2016 Rs. Lakhs
Audit Fees	<b>21.00</b>	21.00
Fees for other services	<b>14.25</b>	14.25
Reimbursement of out-of-pocket expenses	<b>NIL</b>	NIL

## 10. Earnings Per Share

	For the year ended March 31, 2017 Rs. Lakhs	For the year ended March 31, 2016 Rs. Lakhs
Profit after taxation	(a) <b>4560.84</b>	4033.80
Number of Ordinary Shares outstanding	(b) <b>52,87,815</b>	52,87,815
Earnings per share (face value Rs. 10)		
– Basic and Diluted - (in Rupees)	(a)/(b) <b>86.25</b>	76.28

11. As at the year end, the Company has not entered into any Forward Exchange Contracts (or other derivative instruments). The year end foreign currency exposures, which are only in respect of Export receivables/payables, that have not been hedged by a derivative instrument or otherwise amount to Rs. 0.83 Lakhs (US \$ 1219, Euro 62) [previous year: Rs. 0.71 Lakhs (US \$ 1012, Euro 62)] in respect of receivables and Rs. 44.67 Lakhs (US \$ 68136, Euro 1089) [previous year: Rs. 16.65 lakhs (US \$ 24773, Euro 416] in respect of payables.

## 12. Expenditure and Earnings in Foreign Currency

	For the year ended March 31, 2017 Rs. Lakhs	For the year ended March 31, 2016 Rs. Lakhs
i) CIF value of imports Raw Materials, Stores and Spares, Materials for R & D and Machinery	<b>32.86</b>	46.32
ii) Expenditure in Foreign Currency Travelling, Advertising, Commission etc.	<b>606.07</b>	87.12
iii) Earnings in Foreign Currency FOB Value of Exports	<b>2635.93</b>	2449.75
Others (freight etc.)	<b>27.35</b>	31.13

## 13. Value of Raw Materials, Stores and Spares Consumed

(Previous year's figures given in brackets)

	Raw Materials		Stores and Spares	
	Rs. Lakhs	%	Rs. Lakhs	%
Imported	<b>32.86</b> (44.92)	<b>0.2</b> (0.3)	<b>NIL</b> (NIL)	— (—)
Indigenous	<b>16307.58</b> (17430.02)	<b>99.8</b> (99.7)	<b>377.63</b> (378.37)	<b>100.0</b> (100.0)
	<b>16340.44</b> (17474.94)	<b>100.0</b> (100.0)	<b>377.63</b> (378.37)	<b>100.0</b> (100.0)

In furnishing information about Stores and Spares, the view has been taken that the particulars are required only in respect of Stores and Spares used for manufacturing and not in respect of Stores and Spares required for maintenance of Plant and Machinery.

NOTE 23 (continued)

14. Related Party Disclosures:

1. Related Parties

(a) Individual having control and relatives:

Mr. Brahm Vasudeva	Chairman
and relatives:	
Mr. Neil Vasudeva	
Mr. Nikhil Vasudeva	
Mrs. Anuradha S. Khandelwal	
Mrs. Gitanjali V. Nevatia	
Mrs. Gayatri S. Yadav*	
Mrs. Susan M. Vasudeva	Non-Executive Director

(b) Key Management Personnel and their relatives:

Mr. S. Dutta Choudhury	Vice-Chairman & Chief Executive Officer
Mr. Sudeep Yadav	Executive Director-Finance & Administration
Mrs. Sonya Dutta Choudhury	Relative
Mrs. Gayatri S. Yadav*	Relative

\* Disclosure of Related Party Transactions and Outstanding balances shown under the heading 'Individual having control and relatives' and not under the heading of 'Key Management Personnel and their relatives'.

2. Disclosure of transactions between the Company and Related Parties and the Status of outstanding balances as at March 31, 2017 (Previous year's figures given in brackets)

	Individual having control and relatives				Key Management Personnel and relatives		
	Mr. Brahm Vasudeva Rs. Lakhs	Mr. Neil Vasudeva Rs. Lakhs	Mr. Nikhil Vasudeva Rs. Lakhs	Others Rs. Lakhs	Mr. S. Dutta Choudhury Rs. Lakhs	Mr. Sudeep Yadav Rs. Lakhs	Others Rs. Lakhs
(a) Remuneration	<b>NIL</b> (NIL)	<b>77.79</b> (104.01)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>276.27</b> (226.43)	<b>198.46</b> (156.24)	<b>NIL</b> (NIL)
(b) Non Executive Director's Fees and Commission	<b>11.75</b> (11.78)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>11.25</b> (11.28)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)
(c) Benefits provided to the Non-Executive Chairman, as Advisor	<b>6.79</b> (6.46)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)
(d) Dividend paid	<b>1097.72</b> (823.42)	<b>228.02</b> (171.01)	<b>228.02</b> (171.01)	<b>219.01</b> (164.26)	<b>0.03</b> (0.02)	<b>0.06</b> (0.05)	<b>0.06</b> (0.05)
(e) Fixed deposits accepted	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)
(f) Interest paid on Fixed deposits	<b>35.17</b> (35.26)	<b>13.95</b> (12.41)	<b>NIL</b> (NIL)	<b>16.76</b> (14.91)	<b>22.81</b> (23.10)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)
(g) Fixed deposits repaid	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)
Balance as at March 31, 2017							
Fixed deposits	<b>297.63</b> (297.63)	<b>100.00</b> (100.00)	<b>NIL</b> (NIL)	<b>120.00</b> (120.00)	<b>195.00</b> (195.00)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)

## NOTE 23 (continued)

## 15. Employee Benefits:

## a) Defined contribution plan

Amount recognised as an expense for defined contribution plan Rs. 463.06 Lakhs (previous year Rs. 458.43 Lakhs).

## b) Defined benefit plan - as per Actuarial valuation

			<b>Gratuity (Funded)</b>	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
I.	Expense recognised in the Statement of Profit and Loss for the year ended			
1.	Current Service Cost	<b>104.34</b>	62.29	
2.	Interest	<b>109.62</b>	112.63	
3.	Expected Return on plan assets	<b>—90.37</b>	—90.13	
4.	Actuarial —Gain/Loss	<b>273.72</b>	80.76	
5.	Total expense	<b>397.31</b>	165.55	
II.	Net Asset/—Liability recognised in the Balance Sheet			
1.	Present Value of Defined Benefit Obligation as at year end	<b>1981.39</b>	1658.12	1603.72
2.	Fair value of plan assets as at year end	<b>1531.97</b>	1442.55	1401.04
3.	Funded status Deficit	<b>—449.43</b>	—215.57	—202.68
4.	Net Liability as at year end	<b>—449.43</b>	—215.57	—202.68
III.	Change in the obligation during the year ended			
1.	Present Value of Defined Benefit Obligation at the beginning of the year	<b>1658.12</b>	1603.72	
2.	Current Service Cost	<b>104.34</b>	62.29	
3.	Interest	<b>109.62</b>	112.63	
4.	Actuarial —Gain/Loss	<b>300.63</b>	99.62	
5.	Benefit payments	<b>—191.31</b>	—220.14	
6.	Present Value of Defined Benefit Obligation at the end of the year	<b>1981.39</b>	1658.12	
IV.	Change in Fair Value of Assets during the year ended			
1.	Fair value of plan assets at the beginning of the year	<b>1442.55</b>	1401.04	
2.	Expected Return on plan assets	<b>90.37</b>	90.13	
3.	Contributions by employer	<b>163.45</b>	152.66	
4.	Actual benefits paid	<b>—191.31</b>	—220.14	
5.	Actuarial Gain/—Loss on plan assets	<b>26.91</b>	18.86	
6.	Fair value of plan assets at the end of the year	<b>1531.97</b>	1442.55	
V.	Details of experience adjustments			
1.	Experience —Gain/Loss on obligation	<b>157.95</b>	89.64	77.88
2.	Actuarial Gain/—Loss on plan assets	<b>26.91</b>	18.86	14.95
VI.	The major categories of plan assets as a percentage of total plan			
	Funded with Life Insurance Corporation of India (LIC)	<b>100%</b>	100%	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS** (continued)

NOTE 23 (continued)

	<b>Gratuity (Funded)</b>	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>Rs. Lakhs</b>	<b>Rs. Lakhs</b>
VII. Actuarial assumptions		
1. Discount Rate	<b>7.00%</b>	7.80%
2. Expected rate of return on plan assets	<b>7.50%</b>	7.50%
3. In-service mortality	<b>IALM (2006-08) ultimate</b>	IALM (2006-08) ultimate
4. Turnover rate	<b>1% to 4% as per age</b>	1% to 4% as per age
5. Salary Escalation	<b>5%</b>	4%

VIII. Expected contribution for the next year Rs. 250 Lakhs.

The expected rate of return is based on expectation of the average long term rate of return expected on investment of the fund, during the estimated term of obligation. The estimate of future salary increase considered in the actuarial valuation takes into account historical trends, future expectations, inflation, seniority, promotion and other relevant factors.

16. Details of Specified Bank Notes (SBN) and other denomination notes held and transacted during the period November 8, 2016 to December 30, 2016.

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination notes</b>	<b>Rupees Total</b>
Closing cash in hand as on 08.11.2016	4,32,000	41,843	4,73,843
(+) Permitted receipts	NIL	39,39,204	39,39,204
(-) Permitted payments	NIL	6,72,974	6,72,974
(-) Amount deposited in Banks	4,32,000	30,11,665	34,43,665
Closing cash in hand as on 30.12.2016	NIL	2,96,408	2,96,408

17. Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

All the values have been stated in Rs. Lakhs unless otherwise indicated.

Signatures to Notes 1 to 23 forming part of the financial statements.



Brahm Vasudeva  
Chairman



S. Dutta Choudhury  
Vice-Chairman &  
Chief Executive Officer

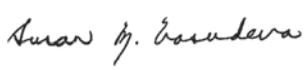


E. A. Kshirsagar  
Director



S. K. Diwanji  
Director

Gerson da Cunha  
Director



Susan M. Vasudeva  
Director



Gen. V. N. Sharma (Retd.)  
Director



Ravi Kant



Sudeep Yadav

Executive Director-  
Finance & Administration



Hutoxi Bhesania  
Company Secretary

Mumbai: May 25, 2017

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An Induction Cooktop

## Pudina Paratha

(Layered Unleavened Bread with Mint)

4½ cups / 450 g	sifted wheat flour
5½ cups / 85 g	mint leaves chopped
2 tsp / 10 ml	cumin seeds
2 tsp / 10 ml	vegetable oil
1½ tsp / 7.5 ml	salt
a pinch	pepper
a pinch	red chilli powder
1¼ cups / 300 ml	water
½ cup + 2 tbsp / 150 g	ghee

1. Mix all ingredients except water and ghee. Add water gradually, mix till dough forms a soft ball (stop adding water before dough becomes wet and sticky). Knead till dough is smooth and elastic. Keep covered with a damp cloth about 30 minutes.
2. Rub hands with a little ghee. Knead dough briefly. Make 10 balls about  $1\frac{5}{8}$  inch/4.2 cm in diameter. Keep covered with a damp cloth.
3. On a floured board, roll a ball of dough into a flat round  $7\frac{1}{4}$  inch/18 cm in diameter. Spread  $\frac{1}{2}$  tsp/2.5 ml ghee all over the top surface of the round.
4. Starting at one edge, tightly roll up round (Figure A). Each time a turn is completed, pat the top of the rolled-up portion from the centre outward to the edges with fingers

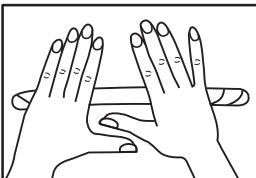
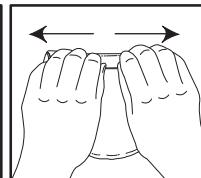
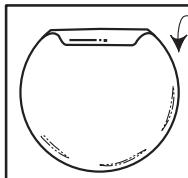


Figure A

Figure B

Figure C

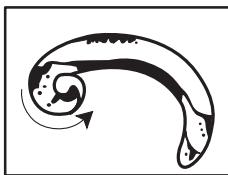


Figure D

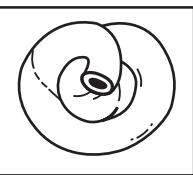


Figure E

## RECIPE

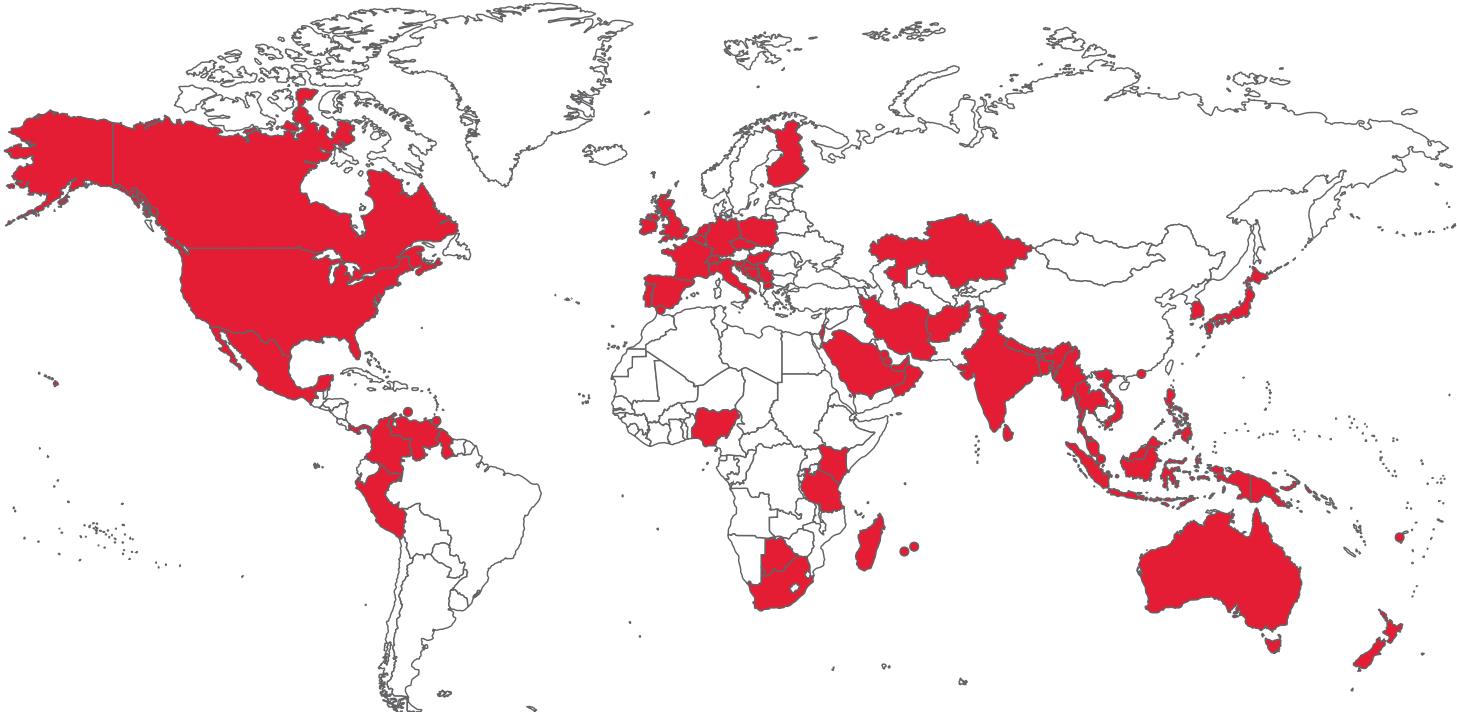
**Yield: 10 Paratha**

(Figure B). With palms of both hands roll back and forth till extended to 9 inch/22.5 cm long (Figure C). Wind around one end into a flat coil (Figure D). Put free end over centre top of coil (Figure E). Press down free end gently. Flatten coil slightly.

5. Make remaining balls into rounds and coils in the same way as given in **step 3** and **step 4**. Keep covered with a damp cloth.
6. On a floured board, roll each coil into a flat round  $7\frac{1}{4}$  inch/18 cm in diameter. Keep on a lightly floured surface, covered with a damp cloth.
7. Heat tava as follows: on gas, on medium heat about 3 minutes; on induction, on 800 watts about 2 minutes.
8. Put round on tava. Cook about 1 minute. Top should begin to look dry and darken. There should be a few light brown specks on the underside. Turn over round.
9. Spread  $\frac{1}{2}$  tsp/2.5 ml ghee all over top surface of round. Turn over.
10. Spread  $\frac{1}{2}$  tsp/2.5 ml ghee in the same way. Turn over. On induction, reduce heat to 600 watts at this point.
11. Lightly press entire round with spatula, rotating and pressing a small area at a time. Turn over.
12. Press in the same way. Turn over.
13. Spread  $\frac{1}{2}$  tsp/2.5 ml ghee over round. Turn over.
14. Spread  $\frac{1}{2}$  tsp/2.5 ml ghee over round. Turn over.
15. Continue pressing and turning till paratha is evenly browned on both sides. Remove. On induction, reduce heat to 300 watts. Cook remaining rounds in the same way. Serve hot accompanied with curd. For subsequent paratha on induction, increase heat to 600 watts after step 8 and reduce heat to 300 watts just before removing the paratha.

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