

# TTK Prestige LIMITED



Corporate Office: 11th Floor, Brigade Towers, 135, Brigade Road, Bangalore – 560 025. INDIA  
Phone: 91-80-22217438/39, Fax: 91-80-22277446, E-mail: [ttkcorp@ttkprestige.com](mailto:ttkcorp@ttkprestige.com)  
[www.ttkprestige.com](http://www.ttkprestige.com) CIN : L85110TZ1955PLC015049

June 29, 2018

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

**Sub: Notice of the 62<sup>nd</sup> Annual General Meeting (AGM) and Annual Report 2017-18**

Please find enclosed the Notice of the 62<sup>nd</sup> AGM to be held on 25<sup>th</sup> July 2018 and Annual Report for the financial year ended March 31, 2018. The same is available on the Company's website <http://www.ttkprestige.com/investor-relations/investor-information#>

Kindly take the above information on record.

Thanking you,

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

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

A  Group Company

(Registered Office: Plot No.38, SIPCOT Industrial Complex, Hosur – 635 126, Tamil Nadu. INDIA)



# ANNUAL REPORT 2017-18



**INNOVATION**  
AT THE FOREFRONT  
**TRUST**  
AT THE CORE







Pressure Cookers



Cookware



Gas Stoves



Small Appliances



Rice Cookers



Induction Cooktops



Fruit and  
Vegetable Cleaner



Oven Toaster Grills

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

# TTK PRESTIGE LIMITED

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### BOARD OF DIRECTORS

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

#### REGISTERED OFFICE & WORKS

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

#### CORPORATE OFFICE

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

#### FACTORIES

- 82 & 85, Sipcot Industrial Complex  
Hosur - 635 126, Tamil Nadu.
- SF-234/1, Pollachi Road, Myleripalayam Village  
Coimbatore - 641 032. Tamil Nadu.
- Plot No. 1A & 2, Dev Bhoomi Industrial Estate  
Roorkee - 247 667, Uttarakhand.
- Vemardi Road, Juni Jithardi Village,  
Karjan Taluka, Vadodara, Gujarat.
- 231, Khardi, Shahpur, Thane, Maharashtra-421304

#### BRANCHES

Ahmedabad, Bengaluru, Chennai, Cuttack, Delhi,  
Dehradun, Ernakulam, Ghaziabad, Goa, Gurgaon,  
Guwahati, Hubli, Hyderabad, Indore, Jaipur, Jammu,  
Kolkata, Lucknow, Mohali, Mumbai, Patna, Pune,  
Raipur, Ranchi, Trichy & Vijayawada

#### STATUTORY AUDITORS

M/s. PKF SHRIDHAR & SANTHANAM LLP  
Chartered Accountants  
T8 & T9, GEM Plaza, 66, Infantry Road,  
Bengaluru - 560001

#### COST AUDITOR

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

#### SECRETARIAL AUDITOR

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

#### REGISTRARS AND SHARE TRANSFER AGENTS

Karvy Computershare (P) Limited  
Karvy Selenium, Tower "B", Plot 31-32, Gachibowli  
Financial District, Nanakramguda,  
Hyderabad - 500 008.

#### BANKERS

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

## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that the 62<sup>nd</sup> Annual General Meeting (AGM) of the members of **TTK PRESTIGE LIMITED** will be held at Hotel Claresta Sarovar Portico, SIPCOT Phase II, Bengaluru-Chennai NH7, Hosur-635109 **on Wednesday, the 25<sup>th</sup> July, 2018** at 11.45 a.m. to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. Adoption of audited financial statements**

To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.

#### **2. Declaration of Dividend**

To declare dividend of ₹ 30/- (Rupees Thirty Only) per equity share for the financial year 2017-18.

#### **3. Appointment of Director**

To appoint a Director in place of Mr. K. Shankaran (DIN: 00043205) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

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

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the remuneration of ₹3,00,000/- (Rupees Three lakhs only) plus taxes and levies as applicable and reimbursement of travel and out-of-pocket expenses, payable to Mr. V. Kalyanaraman, Cost Accountant for conducting the audit of cost records of the Company, for the financial year ending 31<sup>st</sup> March, 2019, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby approved”.

#### **5. Appointment of Mr. T. T. Jagannathan as Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 as amended from time to time, Mr. T.T. Jagannathan (DIN: 00191522), in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company”.

#### **6. Re-appointment of Mr. T.T. Jagannathan as Executive Chairman**

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

“RESOLVED THAT pursuant to the provisions of Sec.196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof and the Articles of Association of the Company including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the approval of the Company be and is hereby accorded to the re-appointment of Mr. T.T. Jagannathan as Whole-time Director (in the designation of Executive Chairman) of the Company for a further period of 5 (five) years from July 01, 2018 to June 30, 2023 on the remuneration and other terms and conditions of appointment as set out in the Statement attached to the Notice convening the AGM.”

“RESOLVED FURTHER THAT, in the event of the Company incurring a loss or its profits are inadequate in any financial year during the currency of his tenure the Company shall pay to Mr. T.T. Jagannathan the above remuneration as a minimum remuneration by way of salary, perquisites and allowances, in accordance with the provisions of Schedule V to the Companies Act, 2013 as amended from time to time”.

#### **7. Approval for continuation of current term of Mr. R. Srinivasan, Independent Director**

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

“RESOLVED THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to **Mr. R. Srinivasan (DIN: 00043658)** Director of the Company to continue to hold office of Independent Director under the current tenure of appointment which ends on 20<sup>th</sup> August, 2019 notwithstanding that he has attained the age of 75 years on 10<sup>th</sup> September, 2016.”

#### **8. Approval for continuation of current term of Dr.(Mrs.) Vandana Walvekar, Independent Director**

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

“RESOLVED THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to **Dr.(Mrs.) Vandana Walvekar (DIN: 00059160)** Director of the Company to continue to hold office of Independent Director under the current tenure of appointment which ends on 24<sup>th</sup> March, 2020 notwithstanding that she has attained the age of 75 years on 10<sup>th</sup> April, 2018”.

By Order of the Board

Place: Bengaluru

**K. SHANKARAN**

Dated: 21<sup>st</sup> May, 2018 Director & Whole-time Secretary



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Statement pursuant to Section 102(1) of the Companies Act, 2013, ("The Act") relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Pursuant to the provisions of Section 108 of the Act and the Rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time the Company is providing facility for voting by electronic means. The facility for voting through Ballot (Instapoll) will also be made available at the AGM and the members attending the AGM who have not already cast their votes by e-Voting shall be able to exercise their right at the AGM through Ballot. Instructions and other information relating to e-Voting are given in this Notice separately. The Company will also send communication relating to e-Voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
4. Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slip along with their copy of the Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
7. The dividend on Equity Shares, if approved at the AGM, will be paid to those Shareholders whose names appear in the Register of Members on 23<sup>rd</sup> July 2018.
8. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of their bank account

details to their respective Depository Participants with whom they are maintaining their Demat accounts immediately. Members holding shares in physical form are requested to advise any change in their address or bank mandates including dividend matters immediately to the Company/ Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, India.

Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication as a mark of your commitment to green initiative.

9. **The Register of Members and Share Transfer Books will remain closed on 24<sup>th</sup> July, 2018 for the purpose of payment of dividend for the FY ended March 31, 2018 and the AGM.**
10. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. The Register of contracts or arrangements maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Pursuant to Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has provided/hosted the required details of unclaimed amounts referred to under Section 124 of the Companies Act, 2013 on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant Form every year.

The members who have not claimed their dividends for the following financial years, may approach the Company's share transfer agents and claim the same. Members may note that dividends which remain unclaimed for a period of seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.

<b>Financial Year Ended</b>	<b>Due Date of Transfer</b>
31 <sup>st</sup> March, 2011	19.08.2018
31 <sup>st</sup> March, 2012	07.08.2019
31 <sup>st</sup> March, 2013	19.08.2020
31 <sup>st</sup> March, 2014	25.09.2021
31 <sup>st</sup> March, 2015	27.08.2022
31 <sup>st</sup> March, 2016 - Interim	16.04.2023
31 <sup>st</sup> March, 2017 - Interim	29.05.2024
31 <sup>st</sup> March, 2017 – Final	15.09.2024



# TTK Prestige Limited

Members may note that shares as well as unclaimed dividends transferred to IEPF authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Karvy for lodging claim for refund of shares and/or dividend from the IEPF authority.

13. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore requested to submit their PAN to their depository participant(s). Members holding shares in physical form are requested to submit their PAN details to the Registrar and Share Transfer Agents.
14. SEBI has decided that Securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
15. A copy of the Annual Report 2018 along with the Notice of the Annual General Meeting, stating the process and manner of e-Voting at the 62<sup>nd</sup>AGM has been sent by electronic mode to those members who have provided their e-mail ID and posted physical copies to those who have not provided e-mail ID at their registered address and also posted on the website of the Company.

The Annual Report 2017-18 along with the Notice of 62<sup>nd</sup> AGM is available on the Company's **website [www.ttkprestige.com](http://www.ttkprestige.com)**

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on working days, up to and including the date of the Annual General Meeting of the Company.

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

**(a) Mr. K. Shankaran**

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

Mr. K. Shankaran is a qualified Cost & Management Accountant and Company Secretary. He has been the Whole-time Secretary of the Company since 1990. He was inducted as a Director on the Board in the year 1993. Mr. K Shankaran has industry experience of 37 years.

Age: 64 years

Nature of experience in specific areas:

Finance, Taxation, Corporate laws/Legal, Corporate Governance, Human Resource and General Business Management.

Disclosure of inter-se relationships between directors and Key Managerial Personnel: Nil

Directorships and committee memberships in listed companies:

Mr. K. Shankaran is on the Board of TTK Healthcare Limited.

He is also the Chairman of Stakeholder Relationship Committee and a member of Nomination & Remuneration Committee, Audit Committee and CSR Committee of TTK Healthcare Limited.

Shareholding: 1092 equity shares in the Company.

**(b) Mr. T.T. Jagannathan**

Mr. T.T. Jagannathan is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA. He is the Chairman of the TTK Group of Companies. He has over four decades of Industrial experience. He has been on the Board of your company since 1975.

Age 70 years

Nature of experience in specific areas:

Innovation, Technology, Manufacturing, Marketing & Distribution, Business Promotion & Management.

Disclosure of inter-se relationships between directors and Key Managerial Personnel:

Mr. T.T. Raghunathan, Vice Chairman (Brother), and Dr. T.T. Mukund, Director (Son).

Directorships and committee memberships in listed companies:

He is a Director on the Board of TTK Healthcare Limited

He does not hold any Committee Chairmanship/ Membership in other company.

Shareholding:

He holds 354787 equity shares in the Company (in his individual capacity).

By Order of the Board

Place: Bengaluru

**K. SHANKARAN**

Dated: 21<sup>st</sup> May, 2018 Director & Whole-time Secretary

Registered Office:

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

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

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

**ITEM No. 4**

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder the Board of Directors of the Company have, on the recommendation of the Audit Committee, appointed Mr. V. Kalyanaraman, Cost Accountant as the Cost Auditors, to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2019, on a remuneration of ₹ 3,00,000/- (Rupees Three lakhs only) plus taxes and levies as applicable and reimbursement of travel and out of pocket expenses, payable to the said Cost Auditor. In accordance with the provisions of the said section, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified by the shareholders at a general meeting.

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

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

**ITEM Nos 5 & 6**

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

Mr. T.T. Jagannathan, who was appointed as Whole-time Director (Executive Chairman) for a period of 5 years with effect from 1<sup>st</sup> July 2013 holds office up to 30th June 2018.

The Board of Directors, in their meeting held on 12<sup>th</sup> April 2018, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders by special resolution, have re-appointed Mr. T.T. Jagannathan as a Whole-time Director (in the designation of Executive Chairman) for a further period of 5 years with effect from 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2023.

The Company has received a Notice pursuant Sec.160 of the Companies Act, 2013 in writing from a Member proposing his candidature for the office of a Director of the Company,

The terms of appointment of Mr. T.T. Jagannathan as fixed by the Nomination and Remuneration Committee and approved by the Board of Directors are as follows:

<b>A</b>	Salary	₹5,00,000 per month in the pay scale of ₹5,00,000 – ₹10,00,000
<b>B</b>	1 Housing	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee

	2	Gas, Water & Electricity	The expenditure incurred by the Company on Gas, Electricity, Water, Furnishings etc., shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary
	3	Medical	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents
	4	Leave Travel Assistance	For self and family, to and fro Airfare to any place in India or abroad once a year.
	5	Club Fees	Fees for two clubs not including admission and life membership fee
	6	Personal Accident Insurance	Personal accident cover, as per the rules of the company
<b>C</b>	Other Benefits		
	1	Provident Fund contribution	As per rules of the company
	2	Superannuation contribution	As per rules of the company
	3	Leave and Leave encashment benefits	As per rules of the company
	4	Gratuity	As per rules of the company
	5	Hospitalization	As per rules of the company
<b>D</b>	1	Car	Free use of Company maintained Car with Driver
	2	Telephone	Telephone at residence
<b>E</b>	Performance Bonus/ Commission		The Appointee will be entitled to Annual Performance Bonus/ Commission up to a maximum of 4% of the net profits of the Company computed in accordance with Sec.198 of the Companies Act, 2013 as fixed by the Remuneration Committee and approved by the Board of Directors. However the Performance Bonus/Commission so paid plus his substantive salary as referred to above from A to C shall not exceed the ceiling prescribed under the Act which is currently at 5% of net profits.

The above remuneration exclusive of commission, shall be paid to Mr. T.T. Jagannathan as minimum remuneration in the event of the Company incurring loss or inadequacy of profits in any financial year during his tenure in accordance with the provisions of Schedule V of



the Companies Act, 2013, or any statutory modifications thereof.

The appointment is on contractual basis and is terminable with 3 months notice on either side.

Mr. T T Jagannathan having attained the age of 70 years, his appointment requires approval of the shareholders by Special Resolution in terms of Section 196 (3) of Companies Act, 2013 and Rules made thereunder.

As required under provisions of (3) of Section 196 of Companies Act, 2013 the following are the justifications for re-appointment of Mr. T.T. Jagannathan notwithstanding his having attained the age of 70:

1. The company has drawn up a Long Range Plan with enhanced vision and has an ambitious target of doubling the revenue of the company over the next 5 years.
2. Mr. T.T. Jagannathan having been serving the Company for past over 4 decades now, has rich experience in various areas of operation of the business and specialized skills in innovation, product development and promoting and nurturing green field operations and therefore the Company requires his active involvement going forward.
3. The aforesaid Long Range Strategy Plan requires the involvement of Mr. T.T. Jagannathan on a Whole-time basis to continue to play a strategic leadership role and guide the management team of the Company and motivate them to realise the long-term objectives.
4. Therefore his continued services are considered not only necessary but also is in the interest of the Company.

The additional information on Mr. T.T. Jagannathan, pursuant to Listing Regulations and Secretarial Standard (SS-2) is annexed.

The Company has received from Mr. T.T. Jagannathan(i) consent in writing to act as a Director/Whole-time Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and Notice of Interest in Form MBP 1 in terms of Rule 9 of Companies (Meetings of Board and its Powers) Rules, 2014.

Except Mr. T.T. Jagannathan and his relatives viz. Mr. T.T. Raghunathan and Dr. T. T. Mukund Directors, who may considered to be interested or concerned, no other Director or Key Managerial Personnel or their relatives are interested or concerned financially or otherwise in the resolution.

The draft agreement to be entered into between the Company and Mr. T.T. Jagannathan is available for inspection by the members at the Registered Office of the Company during office hours 9 am and 5.00 pm on any working day until the date of AGM.

Your Directors commend the resolutions set forth in items 5 & 6 for approval of the members.

### ITEM NO. 7

Mr. R. Srinivasan - Independent Director was appointed on 21<sup>st</sup> August 2014 in terms of Companies Act, 2013. At the time of the appointment his age was 73 years.

SEBI has amended the LODR, Regulations, 2015 vide circular dated 9<sup>th</sup> May 2018 which require re-appointment/ continuance of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution. Though Mr. R. Srinivasan can hold office under the erstwhile resolution, he has attained the age of 75 years during the term of his appointment. Hence this Special Resolution is placed before the shareholders by way of abundant caution for adoption.

No Director, Key Managerial Personnel or their relatives except Mr. R. Srinivasan to whom the resolution relates, is interested or concerned in the resolution.

Your Directors commend the resolution for approval of the members.

### ITEM NO. 8

Dr.(Mrs.) Vandana Walvekar - Independent Director was appointed on 24<sup>th</sup> March 2015 in terms of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. At the time of the appointment her age was 71 years.

SEBI has amended the LODR, Regulations, 2015 vide circular dated 9<sup>th</sup> May 2018 which require re-appointment/ continuance of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution. Though Dr.(Mrs.) Vandana Walvekar can hold office under the erstwhile resolution, she has attained the age of 75 years during the term of her appointment. Hence this Special Resolution is placed before the shareholders for adoption.

No Director, Key Managerial Personnel or their relatives except Dr.(Mrs.) Vandana Walvekar to whom the resolution relates, is interested or concerned in the resolution.

Your Directors commend the resolution for approval of the members.

By Order of the Board

Place: Bengaluru

**K. SHANKARAN**

Dated: 21<sup>st</sup> May, 2018 Director & Whole-time Secretary

Registered Office:

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

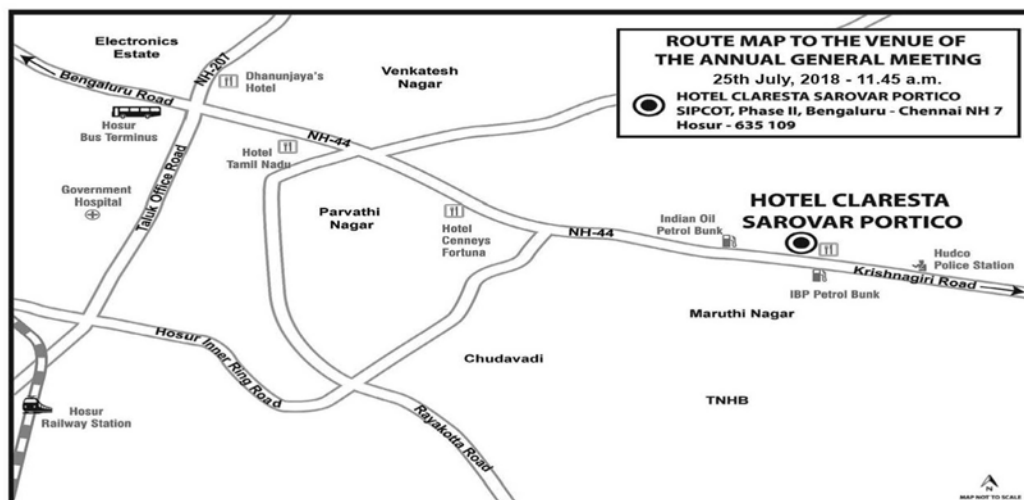
### Information and other Instructions relating to e-Voting (voting through electronic means) and at the meeting are as under:

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and

- Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-Voting facility to its members through Karvy Computershare Private Limited to enable them to cast their votes electronically on the items mentioned in the Notice.
- The Portal will remain open from 9.00 a.m. on 22<sup>nd</sup> July, 2018 to 5.00 p.m. on 24<sup>th</sup> July, 2018 (both days inclusive). The e-Voting will not be allowed beyond the aforesaid date and time and the e-Voting module shall be disabled by Karvy upon expiry of aforesaid period.
  - The facility for voting through Ballot (Instapoll) shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by e-Voting shall be able to vote at the Meeting through Ballot paper.
  - The Company has appointed Mr. Parameshwar G. Hegde, Practicing Company Secretary as the Scrutinizer for conducting the e-Voting and Ballot process/Instapoll in a fair and transparent manner and he has communicated his willingness for the same.
  - The members who have cast their vote by e-Voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - The e-Voting rights of the members/beneficiary owners shall be reckoned on the equity shares held by them as on 20<sup>th</sup> July, 2018 **being the Cut-off date for the purpose**. Members of the Company holding shares either in physical or in dematerialized form, as on the Cut-off date, may cast their vote electronically.
  - A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date i.e. 20<sup>th</sup> July 2018 only shall be entitled to avail the facility of e-Voting.
  - In case a person has become the Member of the Company after the dispatch of Notice but on or before the cut-off date i.e. 20<sup>th</sup> July, 2018, may write to Karvy on the e-mail ID: shivakumar.n@karvy.com or Karvy Computershare Private Limited, (Unit: TTK Prestige Limited), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or contact Mr. N. Shivakumar at Contact No. 040-67162222, requesting for the User ID and Password. After receipt of the above credentials, please follow the instructions for e-Voting to cast the vote.
  - If the member is already registered with Karvy e-Voting platform then he can use his existing User ID and password for casting the vote through e-Voting.
  - The Scrutinizer, after scrutinizing the votes cast at the meeting by Poll and e-Voting will not later than two days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. **The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com) and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.**
  - Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Meeting i.e. 25<sup>th</sup> July, 2018.

### Information to Members:

For the convenience of Members, the Company will provide a coach service from Bengaluru on the day of the Meeting. The coaches will leave for Hosur at 10.00 a.m. from Brigade Towers, 135, Brigade Road, Bengaluru – 560 025. Members who want to use this facility may kindly inform the Secretarial Department (Ph: 22218817) and e-mail to [manju@ttkprestige.com](mailto:manju@ttkprestige.com) giving their Name and Folio Number/D.P. ID on or before 16<sup>th</sup> July, 2018, after which it will be difficult to accommodate your request for transfer facility.



**STATEMENT SHOWING THE DETAILS AS REQUIRED UNDER SCHEDULE V  
TO THE COMPANIES ACT, 2013**

(In connection with Item no. 6 of the Notice/Explanatory Statement)

<b>I. GENERAL INFORMATION</b>	
1. Nature of Industry	Manufacture and Marketing of Pressure Cookers, Non-stick Cookware, Gas Stoves & Domestic Kitchen/Home Appliances.
2. Date or expected date of commencement of commercial production	An existing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.	N.A.
4. Financial performance based on given indicators	N.A.
5. Foreign Investments or collaborators, if any.	None
<b>II INFORMATION ABOUT THE APPOINTEE:</b>	
1. Background details	Mr. T.T. Jagannathan
	Mr. T.T. Jagannathan is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA. He has been on the Board of the Company for the last 43 years
2. Past remuneration	As per Annexure 1
3. Recognition or awards	Gold Medalist from IIT, Chennai
4. Job profile and his suitability	He is the Executive Chairman in charge of overall management of the Company including Long Term Strategy and Innovation. He has the requisite qualification and experience to hold this post.
5. Remuneration proposed	Refer Annexure 1
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration package is in line with the nature of the industry, size of the Company, profile of the person and the responsibilities entrusted
7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any	Related to Mr. T.T. Raghunathan (Brother) and Dr. T.T. Mukund (Son)
<b>III. OTHER INFORMATION</b>	
1. Reasons for loss or inadequate profits	The company has got adequate profits. However, by way of abundant caution, this resolution is placed before the shareholders to ensure Minimum Remuneration under unforeseen circumstances.
2. Steps taken or proposed to be taken for improvement	Not Applicable
3. Expected increase in productivity and profits in measurable terms	The company has made a profit of ₹ 221.66 Crores and ₹ 171.22 Crores before exceptional items and tax during the year 2017-18 and 2016-17 respectively. The Company expects to improve upon this performance in the coming years.
<b>IV DISCLOSURES</b>	The details of the remuneration package of Mr. T.T. Jagannathan are furnished in Annexure 1.  The other disclosures required are furnished under the Column "Disclosures" in our Report on Corporate Governance.



## Annexure 1

## REMUNERATION DETAILS OF MR. T.T. JAGANNATHAN

Details	Past Remuneration	Proposed Remuneration
A. Salary	₹5,00,000 per month in the pay scale of ₹5,00,000– ₹10,00,000	₹5,00,000 per month in the pay scale of ₹5,00,000 – ₹10,00,000
B. 1) Housing	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.
2) Gas, Electricity & Water	The expenditure incurred by the Company on Gas, Electricity, Water, Furnishings etc., shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary.	The expenditure incurred by the Company on Gas, Electricity, Water, Furnishings etc., shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary.
3) Medical	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents.	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents.
4) Leave Travel Assistance	For self and family, to and fro Airfare and other related expenses to any place in India or abroad once a year.	For self and family, to and fro Airfare and other related expenses to any place in India or abroad once a year.
5) Club Fees	Fees for two clubs not including admission and life membership fee.	Fees for two clubs not including admission and life membership fee.
6) Personal Accident Insurance	Personal accident cover, as per the rules of the company.	Personal accident cover, as per the rules of the company.
<b>C. Other Benefit</b>		
1. Provident Fund Contribution	- As per Rules of the company	- As per Rules of the company
2. Superannuation Contribution	- As per Rules of the company	- As per Rules of the company
3. Leave and Leave encashment benefits	- As per Rules of the company	- As per Rules of the company
4. Gratuity	- As per Rules of the company	- As per Rules of the company
D. 1. Car	Free use of the Company maintained Car with Driver	Free use of the Company maintained Car with Driver
2. Telephone	Telephone at residence	Telephone at residence
E. Commission	The Appointee will be entitled to Annual Performance Bonus/Commission up to a maximum of 4% of the net profits of the Company computed in accordance with Sec.198 of the Companies Act, 2013 as fixed by the Remuneration Committee and approved by the Board of Directors. However the Performance Bonus/ Commission so paid plus his substantive salary as referred to above from A to C shall not exceed the ceiling prescribed under the Act which is currently at 5% of net profits.	The Appointee will be entitled to Annual Performance Bonus/Commission up to a maximum of 4% of the net profits of the Company computed in accordance with Sec.198 of the Companies Act, 2013 as fixed by the Remuneration Committee and approved by the Board of Directors. However the Performance Bonus/ Commission so paid plus his substantive salary as referred to above from A to C shall not exceed the ceiling prescribed under the Act which is currently at 5% of net profits.

The above remuneration exclusive of Commission shall be paid as minimum remuneration in the year of loss or inadequacy of profits as per the limits prescribed under Schedule V of the Companies Act, 2013, or any statutory modifications thereof.

## BOARD'S REPORT

### (Including Management's Discussion & Analysis report)

Your Directors have pleasure in presenting their Sixty Second Annual Report, together with the Audited Financials of the Company, for the year ended 31<sup>st</sup> March, 2018 as follows:

#### FINANCIAL RESULTS (STAND ALONE)

(₹.in crores)

	2017-18	2016-17
Sales (inclusive of Excise duty)	1848.71	1683.06
Other Income	13.71	6.74
Exceptional Income/(Expense)	128.96	1.77
EBIDTA (before Exceptional Income)	248.54	201.65
EBIDTA (Including Exceptional Income)	377.50	203.42
Profit/(Loss) before tax	350.62	172.99
Tax Provision	93.75	29.99
Net Profit/(Loss) after Tax	256.87	143.00
Other Comprehensive Income (Net of Tax)	0.24	(0.43)
Total Comprehensive Income	257.11	142.57
Transfer to General Reserve	26.00	15.00
Surplus carried to Balance Sheet	231.11	127.57

#### REVIEW OF PERFORMANCE:

- The first quarter of the year saw a flat performance due to the announcement of GST implementation from 1.7.2017 as the trade channels reduced their stock levels. Post July 2017, your Company witnessed a steady improvement in growth as compared to the previous Financial Year. Except for a few markets which continued to reel under deficient monsoon, all other markets registered a decent double-digit growth. Domestic sales witnessed 10.5% growth in absolute terms. However, the absolute sales figures are not strictly comparable with the previous year due to non-inclusion of central indirect taxes in the sales of the last three quarters of current year. Overall domestic volume growth was impressive across product categories – Value Added Pressure Cookers, Cookware, Mixer Grinders, Gas Stoves, Induction Cooktops and Rice-Cookers – growth ranging from 10% to 30%.
- Your company was also able to tap the rural markets directly and the efforts put in over the last few years has started yielding results. Export performance continued to be subdued due to global market conditions.
- Though the metal prices hardened during the year, the favourable exchange rates for most part of the year had a positive impact on costs. There was marked improvement in the operational efficiencies due to higher capacity utilization and general improvement in productivity resulting in a higher EBIDTA margin of around 13.5%. While the top-line growth was around 10%, EBIDTA before exceptional items grew by 23.2% from Rs.201.65 crores to Rs.248.54 crores.
- Exceptional income of Rs. 128.96 crores is on account of monetization of the development rights relating to the Dooravani Nagar Property. Part

of these proceeds were utilized to 'buy back of shares' entailing an outflow Rs.70 Crores.

- The company's cash position improved significantly on account of operations as well as on account of the proceeds from monetization of development rights.
- As stated in the past years, your company does not follow a stand-alone margin led policy but is focussed on growth with a fair long-term return on capital employed. In spite of substantial additions to manufacturing asset base in recent years the operating ROCE was a healthy 32.5% (Previous Year 28%).
- The net profit after tax for the year was Rs.256.87 Crores. The standalone EPS was Rs.221.74. EPS before exceptional income was Rs.128.77 (PY Rs.94.47) a growth of 36.3%.
- Your Company continued to be debt-free as at the end of 31st March, 2018 and was carrying significant net free cash.
- As shareholders are aware, your Company acquired through its UK subsidiary the business of Horwood Homewares Limited effective from April 2016. On a consolidated basis taking into account the performance of UK Subsidiaries, the Sales was Rs. 1981.64 Crores; Net profit after tax was Rs.263.49 Crores and EPS Rs.227.46.
- Your Directors are pleased to recommend a dividend of Rs.30/- per share for the year ended 31st March 2018 (Previous year- Rs.27/- per share) which entails an out lay of Rs. 34.65 Crores by way of Dividend and Rs.7.12 Crores by way of Dividend Distribution Tax.

To sum up, your Board of Directors is of the view that the current year performance is commendable. Your Company continues to maintain/improve its market share in value terms across product categories.

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

#### AWARDS AND RECOGNITIONS

Your Company continued to be recognized by various agencies for its high quality performance under various parameters. During the Financial Year 17-18, your Company bagged the following awards/recognitions.

- Red Dot Award for Hob-top
- Icon Of The Year Award (Indian Brand Of The Year – Kitchen Appliances)
- India's Most Trusted Company 2017
- India's No. 1 Brands Award
- CMO Asia – Consumer Durable Award

**Board's Report (Contd...)**

- Globe Marketing Excellence Award in Kitchen Appliance Sector.
- ABP News Brand Excellence Award in Kitchen Appliance Sector.
- Brand Equity's 5<sup>th</sup> Most Trusted Brand in Consumer Durable Industry

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**A. ECONOMY / INDUSTRY SCENARIO**

The overall domestic economic scenario towards the later part of FY 17-18 has been showing signs of improvement as compared to the previous financial year. The first half was hit by transient impact of GST implementation. Barring parts of South India, the monsoon was beneficial to the rural economy.

Specific initiatives of the Government such as providing gas connections to BPL families, direct cash benefit transfer etc., and the rural and infrastructure thrust envisaged under the Union Budget for 2017-18 is driving up rural consumption.

Your Company predominantly operates in the Kitchen Appliances segment with a wide range of product categories. The product categories broadly consist of Pressure Cookers, Cookware, Gas Stoves and Domestic Kitchen Electrical Appliances. The market for Pressure Cookers is shared amongst organized national branded players, regional players and unorganized players. Over the years, the share of the unorganized players has been gradually coming down as there has been a shift in the consumer preference to reliable branded products. The market for organized brands is estimated at about 60% of the total market. The share of unorganized players is greater for cookware as compared to pressure cookers. For the rest of the product categories, the market structure is fragmented, and the share and the role of regional brands and unorganized players continue to be significant. In general, there is a clutter of regional brands/unorganized players at entry level price points.

As the members are aware your Company is gradually entering categories adjacent to Kitchen thus expanding the business to cover select home appliances and requisites keeping in view the 'mind share' of your Company's core customer, the home maker and building around the trust and goodwill your Company and its brands enjoy with its core customer base. This extended segment consists of Cleaning Solutions, Irons, Lanterns, Water purifiers etc. Each of the product-line within the Home portfolio has competition both from organized and unorganized players. Your company's focus is to bring in upgraded differentiated products at several price points to get a sizable addition to the overall turnover of the Company to start with and establish a decent market share in the long run.

Continued perception of uncertainty in disposable income amongst core middle-class is giving room for down-trading/bundling of products of entry level price points by some regional brands is distorting the market for entry level products. As a result, value added products in general have been witnessing a better performance.

The kitchen appliance category is also witnessing entry of quite a few players - regional, national as well as global who have brand strength mostly in non-kitchen appliance business.

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

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

Shareholders are aware that the Company operates out of its core strengths of brand, innovation, design, manufacturing, distribution, sourcing and service capabilities and more importantly 'Customer Engagement'.

- a.** Adoption of New Vision in the light of several opportunities in the Long-Term:

The core vision of the company has been 'A Prestige in every Indian Kitchen'; the core mission being 'Quality products at affordable prices'. As the members are aware that your Company is in the process of expanding its business base and is successfully able to travel beyond kitchen and tap categories adjacent to kitchen and relevant to home at large.

In order to broad base the vision, your Company has adopted a new Vision after a vigorous brain storming session aided by external consultants of repute as the current vision is restricted to the Kitchen Domain. The New Vision is:

**"To Delight Home makers with Innovation"**

This vision is expansive as it does not limit the Company to one domain, one brand or one country.

Your Company has not lost sight of its ambition of being in every Indian Kitchen/Home as the same is incorporated in the vision for distribution:

**"To make available Company's Products to Every Home"**

Your Company will continue to be driven by the core mission of 'Quality Products at affordable Prices'.

- b. Opportunities within the Kitchen Domain:**

Driven by the vision to reach every home with a product relevant to each of the customer segments duly supported by the strengths outlined earlier, your Company





# TTK Prestige Limited

## Board's Report (Contd...)

has been continuously broad basing its product offerings, customer segments and geographical coverage. Continuous interaction with the ultimate user of the product has been helping your Company in identifying the pain points and offering solutions in the form of innovative products, concepts and consumer offer of bundled products for a holistic use. This focus helps your Company to create opportunities even in the face of depressed consumer sentiment.

Given the fact that vast sections of Indian homes are to yet to equip their kitchens with various products whether unbranded or branded-there is a significant opportunity in the long-run for every product category of your Company in the kitchen domain. Your Company's growth over the last decade has largely come from tapping urban markets and offering innovative products at price points relevant to this consumer segment. Aided by the State policy of providing LPG connections to rural households and electrification of rural areas across India, rural markets are expected to drive growth in the coming years. Your company has geared its innovation efforts to offer a slew of products to the rural segment with appropriate price points.

Your Company is slated to launch around 95 new SKUs in the kitchen domain in FY 2018-19.

Your Company continues to see a significant opportunity to increase its share of business in the non-south markets.

### **c. Opportunities adjacent to Kitchen Domain:**

Your Company's foray in to Cleaning Solutions and other Home Requisites is receiving customer acceptance. Your Company is currently placing select products in select markets and has plans to expand the reach to other markets in the next couple of years. For instance, the innovatively designed 'Tattva' range of Water Purifiers is well received wherever it has been launched. Your Company expects that these categories will contribute to the growth of the Company in the next 5 years. Your Company has slated to launch 35 new SKUs outside the Kitchen Domain.

### **d. Opportunities outside India:- Overseas Acquisition/Export Thrust**

Shareholders are aware of the acquisition of the branded business of Horwood Homewares Limited through the overseas subsidiary TTK British Holdings Limited. Your Company is expected to leverage this acquisition for developing global business. Any further opportunity, appropriate to the size of your company will be examined. Your Company has

kept all its India based manufacturing facilities 'export ready', by meeting global standards in every respect - technology, manufacturing, processes, green initiatives and governance. These are expected to drive white-label exports as well as exports to overseas brands acquired by your Company.

Some white label exports have already begun. Your Company envisions to be a significant part of "Make In India" policy of the Government of India.

### **e. Channel Management and Service Network:**

Over the last few years the method of reaching the ultimate consumer is undergoing a churn. Every channel – traditional dealers, modern format stores, exclusive retail network or online stores – is rediscovering and re-orienting itself to maximize footfalls. This process has thrown in opportunities as well as conflicts besides disruptions. Your Company is fully seized of the situation and has put in place strategies to leverage every channel to reach the ultimate consumer. Your Company's proactive interaction with online players has been highly productive and the share of online sale has increased significantly as compared to the previous year.

Prestige Smart Kitchen, now reformatted and rechristened as "**Prestige Xclusive**" network continues to provide a significant contribution to the total domestic sales. The current strength of the network is 544.

Your Company is continuing the process of strengthening the service network and call centre operations so as to ensure timely service and build customer loyalty. It also provides the platform to increase sale of original spares. Current strength of the service network is 254.

**f. Introduction of "JUDGE" brand:** Your Company launched select product categories to address to tap the income segments hitherto untapped by your Company. 'JUDGE' brand belongs to the wholly owned subsidiary Horwood Homewares Limited and your Company will be utilizing the same to cater to newer consumer segments within India as well as global markets. The initial launch was made in the second half of the current financial year and the response has been encouraging.

### **g. New Brand Campaign:**

Your Company has roped in Ms. Vidya Balan, as Brand Ambassador from financial year 2018-19 and exciting brand promotion activities are slated for the next few financial years.

### **h. Threats:**

While there are vast opportunities in the Domestic Market, threats can continue in

**Board's Report (Contd...)**

the form of unorganized sector and irrational discounting by regional brands. As the entry barriers are low, any lag in innovation can impact growth.

**C. ANALYSIS OF PERFORMANCE:**
**1. Kitchen & Home Appliances:**

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

(₹ in crores)

	2017-18			2016-17		
	Domestic	Export	Total	Domestic	Export	Total
Pressure Cookers(including Microwave Pressure Cookers)	603.88	23.84	627.72	561.10	34.35	595.45
Cookware	291.29	8.98	300.27	274.43	5.91	280.34
Kitchen Appliances	557.34	0.86	558.20	491.69	0.89	492.58
Gas Stoves	268.02	1.02	269.04	229.88	0.89	230.77
Home Appliances	33.88	0.07	33.95	24.71	0.00	24.71
Others	58.92	0.61	59.53	58.15	1.06	59.21
<b>Total</b>	<b>1813.33</b>	<b>35.38</b>	<b>1848.71</b>	<b>1639.96</b>	<b>43.10</b>	<b>1683.06</b>

- Domestic Sales grew by about 10.57% and the Export Sales dropped by 18%.
- The Pressure Cooker and cookware category registered a growth of 5.5% and 7% respectively. The lower growth was due to depressed market conditions in parts of South India as well as subdued demand for non-premium products.
- Gas stoves recorded a healthy growth of around 16.55% while kitchen appliances grew by around 13.27%.
- 'Cleaning Solutions'(included under Home Appliances) introduced in the previous year performed well and contributed Rs.22.65 Crores to the Sales as compared to Rs.13.00 Crores of previous year.
- The EBIDTA margin before exceptional items for the year was 13.5% as compared to 11.90% in the previous year. The improvement in EBIDTA Margin is attributable to favourable Exchange rates, improvement in operational efficiencies and treasury income.
- The overall pay-roll cost ratio to Sales was around 7.7% as compared to 7.16% in the previous year. The disproportionate increase is due to higher provision for employee terminal benefits on account of some changes in actuarial parameters and revised leave policy.
- Your Company continued to be debt free and carried a sizeable cash balance at the year end.

- Your Company has over the last three years substantially reduced its dependence on imports which has a positive impact on margins and cash-flows. Working capital efficiency improved as compared to the previous year.
- During the year under report your Company introduced around 138 new SKUs covering Pressure Cookers, Induction Cook Tops, Mixer Grinders, Rice Cookers, Gas Stoves and other small electric/non-electric appliances and cleaning solutions. All these introductions received good response.
- PSK network was consolidated and rationalized where necessary. The number of outlets as at 31.3.2018 was 544. The network now covers 26 States and 315 towns. The spread of the network is also evenly distributed between Metros, Mini-Metros, Tier 1, Tier 2 and Tier 3 cities.

**2. Properties & Investment:**

The Company has dealt with the entire rights accruing under the Development Agreement relating to the property at Dooravani Nagar, Bangalore. The Gross revenue accrual was of the order of Rs.163.00 Crores and the Net income after accounting for expenses and book-value of the assets was Rs.128.96 Crores

**3. Overseas Subsidiary & Consolidated Results:**

There was a slight drop in the sales from £17.7million to £16.5 million. EBIDTA was £1.55 million (PY £2.3 million) The Brexit has somewhat impacted the business environment. The subsidiary made some soft investments to capture the market which had an impact on the margins in the short-run. The consolidated financials are attached to this Annual Report separately.

**D. OUTLOOK**

The Government's thrust in improving the Rural Economy is continued in the Budget for the FY 18-19 also, which is expected to increase the disposable income at the hands of the rural population.

This, coupled with the exponential growth of the E-commerce business, is expected to increase the penetration into hitherto untapped markets. The monsoon for this fiscal is also expected to be normal. All these positive factors would help the company to record better growth than the General Economic Growth.

**E. RISKS AND CONCERNS**

The various general economic risks and concerns which can impact your Company have already been outlined in the preceding sections. The concerns largely center on external factors. The specific concern of late relates to hardening of

# TTK Prestige Limited

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Aluminium prices. However, your company is confident of passing on any cost escalation to the market without much lag. Your Company is continuously improving its efficiencies and is hopeful of dealing with the various challenges described in the preceding sections. Your Company will not compromise on the objective of growth and improving market share for the sake of short-term profits.

### F. MEDIUM-TERM AND LONG-TERM STRATEGY

The various contours of Medium & Long Term strategy are mentioned in detail under Para B above. Based on this the Company has a goal of doubling its topline over the next 5 years which is dependent upon overall GDP growth of domestic economy and revival of global economy. Barring unforeseen circumstances the current operating EBIDTA margin and return on operating capital employed can be improved upon.

### G. RISK MANAGEMENT

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

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

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

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

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

### H. SHARE CAPITAL

The paid-up equity share capital as on 31<sup>st</sup> March 2018 was ₹11.56 Crores (PY ₹ 11.66 Crores). During the year one lakh shares were bought back at a consideration of ₹ 70 Crores. The Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity.

### I. FINANCES

Your Company continues to generate substantial post-tax operating free cash flows and the same

have been applied to meet capital expenditure besides other uses including retirement of debt and payment of dividend. Your Company on a standalone basis continued to be debt-free and at the end of the year carried cash and liquid investments of around Rs.231 Crores after 'buy-back of shares for Rs. 70 Crores and further investments in UK subsidiary to the tune of Rs. 12.87 Crores.

### J. CAPITAL EXPENDITURE PLANS

Your company has drawn up a Long Range Plan pursuant to which your Company will be investing in additional capacities and facilities over the next 2-3 financial years the expected outlay being in the region of Rs.250 Crores.

### K. INVESTMENTS

During the year your Company invested an additional amount of Rs.12.87 Crores in the wholly owned UK subsidiary. Other than this your Company carries short-term investments in mutual funds as a part of treasury operations as mentioned in para I.

### L. INTERNAL CONTROL SYSTEMS

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

### M. DEVELOPMENTS IN HUMAN RESOURCES

In pursuit of the Long-Range Plan, your Company has forayed into overseas markets by establishing a subsidiary in UK. Your company is also expanding its operations beyond kitchen. Having due regard to entering new frontiers your Company has implemented strategic HR initiatives covering competency development, talent management, leadership development, succession management etc. The in-house Human Resource Department is constantly being strengthened. A host of people development programmes are put in place on a continuous basis.

The industrial relations across all the manufacturing units has been by and large cordial. Post 31.3.2018 a long-term settlement has been signed with the permanent workmen at the Uttarakhand Unit.

The direct employment strength stood at 1373 as compared to 1295 in the previous year.



**FIXED DEPOSIT**

The Company is neither inviting or accepting Deposits from public or shareholders and hence there are no deposits outstanding or remaining unpaid as at the end of 31<sup>st</sup> March, 2018.

**DIVIDEND**

Your directors have recommended payment of dividend of ₹30/- per share for the year taking in to account the current profits and the cash requirements of the Company for expanding the business operations.

**FUTURISTIC STATEMENTS**

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

**CORPORATE GOVERNANCE**

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

**BUSINESS RESPONSIBILITY REPORT**

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

**LISTING**

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

**FURTHER DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER:****(a) Extract of Annual Return:**

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

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

The Board of Directors met 5 (Five) times during the year 2017-18. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance.

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

As per the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, your Company has in place a Corporate

Social Responsibility Committee which comprises of Mr. T.T. Jagannathan as Chairman and Mr. R Srinivasan, Mr. K Shankaran as Members.

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

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

**(d) Composition of Audit Committee:**

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

Mr. K Shankaran - Director and Whole-time Secretary is the Secretary of the Committee. More details on the Committee are given in the Report on Corporate Governance.

**(e) Related Party Transactions:**

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

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

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

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

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

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

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

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

**(a) Mr. K Shankaran** liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

**(b) Mr. T.T.Jagannathan's** current contractual term of appointment as Executive Chairman of the Company, expires on 30<sup>th</sup> June 2018. The Board of Directors in their meeting held on 12<sup>th</sup> April, 2018 re-appointed him for a further period of 5 years, effective 1<sup>st</sup> July 2018, subject to the approval of the Shareholders through a special resolution.

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

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

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

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

- Mr. Chandru Kalro, Managing Director as Chief Executive Officer (CEO) w.e.f. 1<sup>st</sup> April 2015.
- Mr. K. Shankaran, Director & Whole time Secretary as Company Secretary; and
- Mr. V. Sundaresan, Senior Vice President -Finance as Chief Financial Officer (CFO).

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

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

Independent Directors. More details on the same are given in the Report on Corporate Governance.

#### (v) Remuneration Policy:

Your Company follows a policy on remuneration of Directors and Senior Management. The policy is framed by the Nomination and Remuneration Committee and approved by the Board. More details on the same are given in the Report on Corporate Governance.

#### (g) Auditors:

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

M/s. PKF Sridhar & Santhanam LLP who have been appointed as Statutory Auditors at the AGM held on 11<sup>th</sup> August 2017 carried out the Audit for the financial year under review.

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

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

- Appointment for the year 2018-19:

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

The Board of Directors, on the recommendation of the Audit Committee, appointed Mr. V. Kalyanaraman as Cost Auditor of the Company, for the financial year 2018-19 and fixed their remuneration.

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

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

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

The Cost Audit Report for the year ended 31<sup>st</sup> March 2018 would be filed on or before the due date (i.e.) 27<sup>th</sup> September, 2018.

## Board's Report (Contd...)

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

The Board had appointed Mr. Parameshwar G. Hegde, Company Secretary in Whole-time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18. The Report of the Secretarial Auditor in Form MR-3 is annexed to this report as Annexure "G". The report does not contain any qualification.

**(h) Transfer to Investor Education and Protection Fund:****• Unclaimed Dividends for the year ended 31st March, 2010:**

Your Company has transferred a sum of Rs. 10,43,490 during the financial year 2017-18 to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 205C (2) of the Companies Act, 1956. The said amount represents the unclaimed dividends for the year ended 31st March 2010, which were lying unclaimed with the Company for a period of seven years from their respective due dates of payment.

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

In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and as amended from time to time, your Company transferred 37,707 Equity Shares of Rs.10 each fully paid-up, in respect of which the dividends unclaimed / unpaid for a period of seven consecutive years, relating to the financial year 2008-09, to the Demat Account of the IEPF Authority held with NSDL & CDSL on 4<sup>th</sup> December 2017 & 8<sup>th</sup> December 2017.

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

Your Company does not have any Unclaimed Shares.

**(j) Conservation of Energy:**

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

**(k) Particulars of Employees:**

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

**(l) Subsidiary Company:**

Your Company has an overseas subsidiary by name TTK British Holdings Limited (TTK Brit) which was incorporated in the United Kingdom on 24<sup>th</sup> March 2016 and capitalized during the FY 16-17. TTK Brit holds entire share capital of Horwood Homeware Holdings Limited which in turn holds 100% of Horwood Homewares Limited being the ultimate operating subsidiary.

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

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

During the year, your Company had not given any loan, provided any guarantee OR made any investment under Section 186 of the Companies Act, 2013. Your Company holds 1440 equity shares of Rs.10/- each in TTK Healthcare Limited and 103,00,000 shares of GBP 1 each in TTK British Holdings Limited. Further, 1,400,000 shares are pending allotment by TTK British Holdings Limited as at the date of the Balance sheet

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

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

**(o) Whistle Blower Policy:**

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

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



# TTK Prestige Limited

## Board's Report (Contd...)

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

To prevent sexual harassment of women at work place a new Act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. Under the said Act, every Company has to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Your Company has adopted a policy for prevention of Sexual Harassment of Women at Workplace and has constituted a Committee for implementation of the said policy. During the year 2017-18, there were no complaints.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### ACKNOWLEDGEMENTS

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

For and on behalf of the Board

**(T.T. JAGANNATHAN)**

Executive Chairman

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

Date: May 21, 2018  
Place : Bengaluru

**ANNEXURE - A****FORM NO.MGT-9****EXTRACT OF ANNUAL RETURN****As on the Financial Year Ended 31<sup>st</sup> March, 2018****[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

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

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
(1)	Pressure Cookers	25994	33.95
(2)	Cookware	25994	16.24
(3)	Gas Stove	27504	14.55

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	TTK British Holdings Limited, Avonmouth Way, United Kingdom, BS11 9HX		SUBSIDIARY	100	Section 2(87)
2	Horwood Homewares Holdings Limited, Avonmouth Way, United Kingdom, BS11 9HX		Subsidiary of TTK British Holdings Limited	100	NA
3	Horwood Homewares Limited, Avonmouth Way, United Kingdom, BS11 9HX		Subsidiary of Horwood Homewares Holdings Limited	100	NA

# TTK Prestige Limited

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
(i) Category-wise Shareholding:										
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
<b>(1) Indian</b>										
(a) Individual / HUF	1188869	-	1188869	10.20	1145449	-	1145449	9.92	(0.28)	
(b) Central Govt.	-	-	-	-	-	-	-	-	-	
(c) / State Govt(s)										
(d) Bodies Corporate TTK Healthcare Limited	14800	-	14800	0.13	14800	-	14800	0.13	-	
(e) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	
(f) Any Other	-	-	-	-	-	-	-	-	-	
T.T. Krishnamachari & Co. represented by its Partners	6988747	-	6988747	59.98	6970334	-	6970334	60.34	0.36	
<b>Sub-Total (A)(1)</b>	<b>8192416</b>	<b>-</b>	<b>8192416</b>	<b>70.31</b>	<b>8130583</b>	<b>-</b>	<b>8130583</b>	<b>70.39</b>	<b>0.08</b>	
<b>(2) Foreign</b>										
(a) NRIs – Individuals	-	-	-	-	-	-	-	-	-	
(b) Other – Individuals	-	-	-	-	-	-	-	-	-	
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-	
(d) Banks / FI	-	-	-	-	-	-	-	-	-	
(e) Any other	-	-	-	-	-	-	-	-	-	
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>8192416</b>	<b>-</b>	<b>8192416</b>	<b>70.31</b>	<b>8130583</b>	<b>-</b>	<b>8130583</b>	<b>70.39</b>	<b>0.08</b>	
<b>B. Public Shareholding</b>										
<b>(1) Institutions</b>										
(a) Mutual Funds	599362	1000	600362	5.15	917455	100	917555	7.94	2.79	
(b) Banks and FIs	944	200	1144	0.01	1786	100	1886	0.02	0.01	
(c) Central Government	-	-	-	-	-	-	-	-	-	
(d) State Government	-	-	-	-	-	-	-	-	-	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	
(f) Insurance Companies	-	-	-	-	-	-	-	-	-	
(g) Foreign Institutional Investors (Portfolio investors)	1754389	100	1754489	15.06	1211794	0	1211794	10.49	(4.57)	
(h) Foreign Venture Capital Funds										
(i) Others (specify) Foreign Nationals	75	0	75	0	74	0	74	0	0	
<b>Sub-Total (B)(1)</b>	<b>2354770</b>	<b>1300</b>	<b>2356070</b>	<b>20.22</b>	<b>2131109</b>	<b>200</b>	<b>2131309</b>	<b>18.45</b>	<b>(1.77)</b>	
<b>(2) Non-Institutions</b>										
(a) Bodies Corporates										
(i) Indian	-	-	-	-	-	-	-	-	-	
(ii) Overseas	-	-	-	-	-	-	-	-	-	
(b) Individuals										
b(i) Individual Shareholders holding Nominal Share Capital upto ₹ 1 lakh	470712	182159	652871	5.60	669482	126635	796117	6.89	1.29	
b(ii) Individual Shareholders holding Nominal Share Capital in excess of ₹1 lakh	0	20160	20160	0.17	115000	20160	135160	1.17	0	
(c) Others (specify)										
NBFCs	9494	0	9494	0.08	264	0	264	0.00	(0.08)	
Bodies Corporate	324337	3716	328053	2.82	214083	1100	215183	1.86	(0.96)	
CLEARING MEMBERS	2910	0	2910	0.02	2059	0	2059	0.02	0	



IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
(i) Category-wise Shareholding:										
	NON RESIDENT INDIANS	17960	100	18060	0.16	23392	100	23492	0.20	0.02
	NRI (Non Repatriable)	0	0	0	0	8451	0	8451	0.07	0.07
	TRUSTS	71135	0	71135	0.61	70844	0	70844	0.61	0
	IEPF	0	0	0	0	37707	0	37707	0.33	0.33
	<b>Sub-Total (B)(2)</b>	<b>896548</b>	<b>206135</b>	<b>1102683</b>	<b>9.46</b>	<b>1141282</b>	<b>147995</b>	<b>1289277</b>	<b>11.16</b>	<b>0.67</b>
	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>3251318</b>	<b>207435</b>	<b>3458753</b>	<b>29.69</b>	<b>3272391</b>	<b>148195</b>	<b>3420586</b>	<b>29.61</b>	<b>(0.08)</b>
C.	<b>Non_Promoter – Non Public Shareholder</b> Shares held by Custodians for GDRs/ADRs	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>11443734</b>	<b>207435</b>	<b>11651169</b>	<b>100.00</b>	<b>11402974</b>	<b>148195</b>	<b>11551169</b>	<b>100.00</b>	<b>0</b>

(ii) Shareholding of Promoter								
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	
1	T.T. Krishnamachari & Co. represented by its Partners	6988747	59.983	0	6970334	60.343	0	0.360
2	T.T. Jagannathan	357489	3.068	0	354787	3.071	0	0.003
3	T.T. Mukund	284350	2.441	10.15	274830	2.379	0	(0.062)
4	T.T. Venkatesh	279530	2.399	9.50	267003	2.311	0	(0.088)
5	T.T. Lakshman	265500	2.279	18.83	246829	2.137	0	(0.142)
6	TTK Healthcare Limited	14800	0.127	0	14800	0.128	0	0.001
7	T.T. Raghunathan	2000	0.017	0	2000	0.017	0	0
	<b>Total</b>	<b>8192416</b>	<b>70.314</b>	<b>1.28</b>	<b>8130583</b>	<b>70.388</b>	<b>0</b>	<b>0.074</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change)					
		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>T.T. Krishnamachari &amp; Co. represented by its Partners</b>				
	At the beginning of the year	6988747	59.983	6988747	59.983
	Buyback of Shares by the Company on 04.08.2017	(52338)	(0.453)	6936409	60.049
	Purchased	33925	0.294	6970334	60.343
	At the End of the year	6970334	60.343	6970334	60.343
<b>2</b>	<b>Mr. T.T. Jagannathan</b>				
	At the beginning of the year	357489	3.095	357489	3.068
	Buyback of Shares by the Company on 04.08.2017	(2702)	(0.023)	354787	3.071
	At the End of the year	354787	3.071	354787	3.071
<b>3</b>	<b>Mr. T.T. Mukund</b>				
	At the beginning of the year	284350	2.442	284350	2.442
	Purchased	24	0.000	284374	2.441
	Buyback of Shares by the Company on 04.08.2017	(2294)	(0.020)	282080	2.442
	Sold	(7250)	(0.063)	274830	2.379
	At the End of the year	274830	2.379	274830	2.379

# TTK Prestige Limited

<b>4</b>	<b>Mr. T.T. Venkatesh</b>				
	At the beginning of the year	279530	2.399	279530	2.399
	Buyback of Shares by the Company on 04.08.2017	(2277)	(0.020)	277253	2.400
	Sold	(10250)	(0.089)	267003	2.311
	At the End of the year	267003	2.311	267003	2.311
<b>5</b>	<b>Mr. T.T. Lakshman</b>				
	At the beginning of the year	265500	2.279	265500	2.279
	Buyback of Shares by the Company on 04.08.2017	(2246)	(0.019)	263254	2.279
	Sold	(16425)	(0.142)	246829	2.137
	At the End of the year	246829	2.137	246829	2.137
<b>6</b>	<b>TTK Healthcare Limited</b>				
	At the beginning of the year	14800	0.127	14800	0.127
	Changes during the year	Nil	...	14800	0.127
	At the End of the year	14800	0.128	14800	0.128
<b>7</b>	<b>T.T. Raghunathan</b>				
	At the beginning of the year	2000	0.017	2000	0.017
	Changes during the year	Nil	-	2000	0.017
	At the End of the year	2000	0.017	2000	0.017

<b>(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):</b>							
Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Change in shareholding	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Axis Mutual Fund Trustee Limited	595070	5.11	882012	7.64	286942	2.53
2	Nalanda India Equity Fund Limited	403465	3.46	403465	3.49	-	.03
3	Wellington Trust Company, National Association	297243	2.55	204299	1.77	(92944)	(0.78)
4	T. Rowe Price International Discovery Fund	248002	2.13	55666	0.48	(192336)	(1.65)
5	Prazim Trading Investment Co.Pvt.Ltd	138264	1.19	73741	0.64	(64523)	(0.55)
6	Abu Dabhi Investment Authority – Behave	101415	0.87	0	0	(101415)	(0.87)
7	Suresh Kumar Agarwal	0	0	86000	0.74	86000	0.74
8	Catamaran Management Services (P) Ltd	83707	0.72	18002	0.16	(65705)	(0.56)
9	EMBLEM FII	79121	0.68	79121	0.68	-	-
10	Desjardins Emerging Marketing Opportunities Fund	78964	0.68	56212	0.49	(22752)	(0.19)
11	Apex Trust	70635	0.61	70635	0.61	-	-

<b>(v) Shareholding of Directors and Key Managerial Personnel (KMP):</b>					
		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. T.T. Jagannathan - Chairman</b>				
	At the beginning of the year	357489	3.095	357489	3.068
	Buyback of Shares by the Company on 04.08.2017	(2702)	(0.023)	354787	3.071
	At the End of the year	354787	3.071	354787	3.071
<b>2</b>	<b>T.T. Raghunathan – Vice Chairman</b>				
	At the beginning of the year	2000	0.017	2000	0.017
	Changes during the year	Nil	-	2000	0.017
	At the End of the year	2000	0.017	2000	0.017

<b>3</b>	<b>Mr. Chandru Kalro – Managing Director</b>				
	At the beginning of the year	100	-	100	-
	Changes during the year	Nil	-	100	-
	At the End of the year			100	-
<b>4</b>	<b>Mr. K. Shankaran – Director &amp; Whole-time Secretary</b>				
	At the beginning of the year	1100	0.009	1100	0.009
	Buyback of Shares by the Company on 04.08.2017	(8)	0.000	1092	0.009
	At the End of the year	1092	0.009	1092	0.009
<b>5</b>	<b>Dr. (Mrs) Vandana Walvekar - Director</b>				
	At the beginning of the year	1172	0.010	1172	0.010
	Changes during the year	-	-	1172	0.010
	At the End of the year	1172	0.010	1172	0.010
<b>6</b>	<b>Dr. T.T. Mukund - Director</b>				
	At the beginning of the year	284350	2.442	284350	2.442
	Purchased	24	0.000	284374	2.441
	Buyback of Shares by the Company on 04.08.2017	(2294)	(0.020)	282080	2.442
	Sold	(7250)	(0.063)	274830	2.379
	At the End of the year	274830	2.379	274830	2.379
<b>7</b>	<b>Mr. V. Sundaresan - CFO</b>				
	At the beginning of the year	0	0	0	0
	Changes during the year	0	0	0	0
	At the End of the year	0	0	0	0

<b>V. INDEBTEDNESS</b>		(₹ in lakhs)			
Indebtedness of the Company including interest outstanding / accrued but not due for payment:					
Particulars		Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year:</b>					
(i)	Principal Amount	0	0	0	0
(ii)	Interest due but not paid	0	0	0	0
(iii)	Interest accrued but not due	0	0	0	0
<b>Total (i)+(ii)+(iii)</b>					0
<b>Change in Indebtedness during the financial year</b>					
●	Addition	0	0	0	0
●	Reduction	0	0	0	0
<b>Net Change</b>					0
<b>Indebtedness at the end of the financial year</b>					
(i)	Principal Amount	0	0	0	0
(ii)	Interest due but not paid	0	0	0	0
(iii)	Interest accrued but not due	0	0	0	0
<b>Total (i)+(ii)+(iii)</b>		0	0	0	0



# TTK Prestige Limited

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):</b>				
<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ In lakhs)</b>				
Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. T.T. Jagannathan (Executive Chairman)	Mr. Chandru Kalro (Managing Director & CEO)	
(1)	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	107.74	43.13	150.87
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	12.33	10.66	22.99
(c)	Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961			
(2)	Stock Option	-	-	-
(3)	Sweat Equity	-	-	-
(4)	Commission			
	● As % of Profit	966.89	290.07	1256.96
	● Others, specify	-	-	-
(5)	Others, please specify	-	-	-
	<b>Total</b>	1086.96	343.86	1430.82

<b>B. Remuneration to Other Directors: (₹ In lakhs)</b>							
Sl. No.	Particulars of Remuneration	Total Amount					Total Amount
(1)	Independent Directors	Mr. RS	Dr. VW	Mr. Arun	Mr. MN	Mr. DKK	Total Amount
	● Fee for attending Board, Committee Meetings	4.65	1.7	2.4	2.4	4.45	15.60
	● Commission	17.14	17.14	17.14	17.14	17.14	85.70
	● Others, please specify						
	<b>Total (1)</b>	<b>21.79</b>	<b>18.84</b>	<b>19.54</b>	<b>19.54</b>	<b>21.59</b>	<b>101.30</b>
(2)	Other Non-Executive Directors	Mr. TTR	Dr. TTM				
	● Fee for attending Board, Committee Meetings	0.70	2.20				2.90
	● Commission	17.14	17.14				34.28
	● Others, please specify						
	<b>Total (2)</b>	<b>17.84</b>	<b>19.34</b>				37.18
	<b>Total (B) = (1) + (2)</b>						138.48
	<b>Total Managerial Remuneration</b>						<b>1569.30</b>
	<b>Overall ceiling as per the Act</b>						<b>2662.68</b>

Dr. VW - Dr. (Mrs.) Vandana R. Walvekar

Mr. Arun - Mr. Arun K. Thiagarajan

Mr. RS - Mr. R. Srinivasan

Mr. DKK - Mr. Dileep K. Krishnaswamy

Mr. TTR - Mr. T.T. Raghunathan

Mr. MN - Mr. Murali Neelakantan

Dr. TTM - Dr T.T. Mukund

<b>C. Remuneration to Key Managerial Personnel (KMP) other than MD / WTD / Manager: (₹ In lakhs)</b>				
1	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. K. Shankaran Company Secretary	Mr. V. Sundaresan Chief Financial Officer	
(1)	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	32.36	84.91	117.27
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	8.90	6.16	15.06
(c)	Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961	-	-	-
(2)	Stock Option	-	-	-
(3)	Sweat Equity	-	-	-
(4)	Commission			
	● As % of Profit	307.38	-	-
	● Others, specify	-	-	-
(5)	Others, please specify	-	-	-
	<b>Total</b>	<b>348.64</b>	<b>91.07</b>	<b>439.71</b>

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

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

<b>1.</b>	<b>A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:</b>		
	<p><b>CSR PHILOSOPHY AND POLICY:</b></p> <p>The Company considers society as an important stake-holder and shall discharge its responsibilities to the society proactively. The activities or projects that will be undertaken by the Company shall include one or more of the following as may be recommended by the CSR Committee and approved by the Board of Directors:</p> <ul style="list-style-type: none"> <li>• Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water;</li> <li>• Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;</li> <li>• Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward Groups;</li> <li>• Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;</li> <li>• Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;</li> <li>• Measures for the benefit of armed forces veterans, war widows and their dependents; Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;</li> <li>• Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;</li> <li>• Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;</li> <li>• Rural development projects.</li> <li>• Slum area development.</li> <li>• Such other projects as may be notified by the Government from time to time.</li> </ul> <p>The Company shall give preference to various local areas and areas around which the Company is carrying out its activities. Weblink: <a href="http://www.ttkprestige.com/investor-relations/corporate-governance/corporate-social-responsibility">http://www.ttkprestige.com/investor-relations/corporate-governance/corporate-social-responsibility</a></p>		
<b>2.</b>	<b>The Composition of the CSR Committee:</b>		
	Mr. T.T. Jagannathan	Chairman	Executive Chairman
	Mr. R. Srinivasan	Member	Independent Director
	Mr. K. Shankaran	Member	Non-Independent Director
<b>3.</b>	<b>Average Net Profit of the Company for the last three financial year</b>		
	Average Net Profit for the last three financial years 2014-15, 2015-16 and 2016-17 –		<b>₹ 161.30 Crores</b>
<b>4.</b>	<b>Prescribed CSR Expenditure (2% of the amount as in Item 3 above)</b>		
	The Company is required to spend <b>₹3.23 Crores</b> towards CSR		

<b>5.</b>	<b>Details of CSR spent during the financial year</b>		
	(a)	Total amount to be spent for the financial year	₹ 3.23 Crores
	(b)	Amount unspent, if any	Nil
	(c)	Manner in which the amount spent during the financial year is detailed below:	

Sl. No.	CSR Project or activity identify	Sector in which the Project is covered	Projects or programs (1) Local Area or other (2) specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹.in Crs)	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (₹.in Crs)	Cumulative expenditure up to the reporting period (₹.in Crs)	Amount spent: Direct or through implementing agency (₹.in Crs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Rehabilitation Research and Device Development	Healthcare	Chennai, TamilNadu	3.68	0.50	2.90	0.50
2.	Maintenance and expansion of Rural School	Education	Thanjavur, TamilNadu	0.25	0.25	0.25	0.25
3	Team Indus Foundation for Excellence	Scientific Research	Bangalore Karnataka	1.00	1.00	1.00	1.00
4	Project Instem	Scientific Research	Bangalore Karnataka	1.50	0.50	0.50	0.50
5	Scientific Research by NCBS	Scientific Research	Bangalore Karnataka	1.50	0.50	0.50	0.50
6	Facilities for detection of TB, Breast Cancer	Healthcare	Bangalore Karnataka	0.51	0.51	0.51	0.51
7	Support for the disabled	Healthcare	Coimbatore	0.02	0.02	0.02	0.02
8	Local Area Spend – Tree planting		Gujarat	0.05	0.05	0.05	0.05
	<b>Total</b>			<b>8.51</b>	<b>3.33</b>	<b>5.73</b>	<b>3.33</b>

<b>Details of Implementing Agency:</b>	
i.	Indian Institute of Technology, Chennai
ii.	Swami Dayananda Saraswathi Education Trust, Manjakkudi
iii.	Karnataka State Council for Child welfare, Karnataka
iv.	Bangalore Medical Services Trust, Bangalore
v.	Tata Institute of Fundamental Research
vi.	Institute for Stem Cell Biology
vii.	United Orphanage, Coimbatore
<b>6.</b>	<b>In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount:</b>
<b>7.</b>	<b>A Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:</b>
	<b>Responsibility Statement of the CSR Committee</b>
	It is hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.
	<b>T.T. Jagannathan</b> Chairman CSR Committee



**FORM NO.AOC-2**

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

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

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

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

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

S. No.	Particulars	Details						
		(a)	Name(s) of the Related Party and nature of relationship	TTK Healthcare Limited		TTK Protective Devices Limited	T.T. Krishnamachari & Co.	
		Four of the Directors as Directors		Two of the Directors as Directors	Two of the Directors as Partners			
(b)	Nature of contracts/ arrangements / transactions	Sale of Goods	Purchase of Goods	Receipt of Lease Rent	Others	#Payment of License fee	#Payment of C&F charges	Cost sharing
(c)	Duration of the contracts / arrangements / transactions	As and when need arises, from time to time		Till termination of lease	01.04.2017 to 31.03.2018	01.11.2013 to 31.10.2018	01.06.2014 to 1.05.2019	Not applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As mutually agreed based on prevailing trade practices		₹112/- p.m.		½ % of Sales for using their registered monogram "ttk"	2% of Sales for availing their services as Clearing & Forwarding Agents	Sharing of cost
	Value (₹)	5033691	482669	345	20000	98869964	159610476	8820090
(e)	Date(s) of approval by the Board, if any							
(f)	Amount paid as advance, if any (₹)	-	-	-	-	-	-	-

**# Central Government approval in place.**

3. Mr. Murali Neelakantan – Independent Director was paid professional charges of ₹2.3 lakhs as legal advisor pursuant to Proviso of Section 197(4) of Companies Act, 2013.

**Note: The above amounts includes Service Tax & GST wherever applicable**

For and on behalf of the Board

Place : Bangalore

**(T.T. JAGANNATHAN)**

Dated : 21<sup>st</sup> May, 2018

Executive Chairman

**ANNEXURE - D****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO, ETC.**

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 for the financial year ended 31<sup>st</sup> March, 2018:

<b>(A) Conservation of Energy:</b>																										
(i)	Steps taken or impact on conservation of energy:	The Company has taken several steps in the direction of energy conservation.																								
(ii)	Steps taken by the Company for utilizing alternate sources of energy:	Over the years, the Company has installed solar panels in most of its manufacturing plant. A combined effluent Treatment plant & sewage treatment plant has been set up to ensure ZERO discharge of water outside the factory.																								
(iii)	Capital Investment on energy conservation equipments:	Water mapping is done & consumption is reduced.																								
<b>(B) Technology Absorption:</b>																										
(i)	Efforts made towards technology absorption:	Not Applicable																								
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution:																									
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):																									
(a)	Details of technology imported																									
(b)	Year of import																									
(c)	Whether the technology been fully absorbed																									
(d)	If not fully absorbed, areas where absorption has not taken place and the reasons thereof																									
(iv)	Expenditure incurred on Research and Development	<table border="1"> <thead> <tr> <th colspan="2"></th> <th>2017-18</th> <th>2016-17</th> </tr> <tr> <th colspan="2"></th> <th colspan="2">₹ Crores</th> </tr> </thead> <tbody> <tr> <td>(a)</td> <td>Capital</td> <td>0.66</td> <td>1.13</td> </tr> <tr> <td>(b)</td> <td>Recurring</td> <td>2.84</td> <td>2.15</td> </tr> <tr> <td>(c)</td> <td>Total</td> <td>3.54</td> <td>3.28</td> </tr> <tr> <td>(d)</td> <td>% of R&amp;D expenses to sales</td> <td>0.19%</td> <td>0.19%</td> </tr> </tbody> </table>			2017-18	2016-17			₹ Crores		(a)	Capital	0.66	1.13	(b)	Recurring	2.84	2.15	(c)	Total	3.54	3.28	(d)	% of R&D expenses to sales	0.19%	0.19%
		2017-18	2016-17																							
		₹ Crores																								
(a)	Capital	0.66	1.13																							
(b)	Recurring	2.84	2.15																							
(c)	Total	3.54	3.28																							
(d)	% of R&D expenses to sales	0.19%	0.19%																							

<b>(C) Foreign Exchange Earnings and Outgo:</b>		<b>2017-2018</b>	<b>2016-17</b>
(i)	Actual Inflows:	(₹ in Crores)	
		<b>Foreign Exchange Earnings</b>	
		Exports	43.10
		<b>Total</b>	<b>43.10</b>
(ii)	Actual Outflows:	<b>Foreign Exchange Outgo</b>	
		Imports	
		- Raw Materials Etc.	215.53
		- Capital Goods	0.71
		- Spares	-
		Royalty, Consultancy, Product Registration/Promotion Expenses, Travelling etc.	1.85
		<b>Total:</b>	<b>218.09</b>
			<b>234.04</b>

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

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:				
	Mr. T.T. Jagannathan Executive Chairman		Mr. Chandru Kalro Managing Director		
	1:260		1:82		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:				
	Name	Designation	CTC (31.03.2018) ₹ In lakhs	CTC (31.03.2017) ₹ In lakhs	% Increase/ Decrease in CTC
	Mr. T.T. Jagannathan	Executive Chairman	1086.96	865.56	25.57
	Mr. Chandru Kalro	Managing Director	343.86	203.55	68.93
	Mr. K. Shankaran	Director and Whole time Secretary	348.64	183.10	90.40
	Mr. V. Sundaresan	Chief Financial Officer	91.07	82.35	10.59
	Directors who are not in the employment of the company received sitting fees of ₹20,000 for attending Board/Committee meetings and it was increased to ₹ 50,000 for attending Board and Audit Committee Meetings and ₹ 25000 for other Committee Meetings with effect from 1 <sup>st</sup> May, 2017. For the Financial Year 2016-17, such directors were paid a commission of ₹ 15 lakhs p.a. each and the same has been increased to ₹17.14 lakhs for the year 2017-18.				
(iii)	The percentage increase in the median remuneration of employees in the financial year:				
	<b>Around 3%</b>				
(iv)	The number of permanent employees on the rolls of the Company:				
	<b>1373 employees</b>				
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;				
	The average percentile increase was of the order of 7% for employees other than managerial personnel. In comparison, there was an increase of around 34% in the aggregate managerial remuneration for the year 2017-18. Substantial part of the managerial remuneration is linked to profit & rate of growth in profits. Therefore, the current year's increase is in line with growth in profit over the previous year and it is in line with the terms of appointment.				
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company:				
	It is affirmed that the remuneration of the managerial personnel is in accordance with the remuneration policy of the company.				

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

Name of the employee	Designation of the employee	Remuneration received (₹)	Nature of employment	Qualification	Experience in years	Date of commencement of employment	Age	Last employment held by the employee	% of equity shares held
T.T. Jagannathan	Chairman	108696068	Contractual	B.Tech (IIT, Chennai) M.S.(Operations Research) Cornell University New York	47	01/01/1975	69	G.M., TT Maps & Publications Ltd.,	3.07
K.Shankaran	Director & Secretary	34864166		B.Com., ACMA, FCS, Dip. MA	43	09/10/1990	64	Secretary Spencer & Co., Ltd., Chennai	-
M.Chandru Kalro	Managing Director	34385957	Contractual	B.E	32	29/03/1993	54	Asst.Manager (Marketing) BPL India Limited	-
H.T.Rajan	Chief Manufacturing Officer	15501733		B.Tech., MBA	36	16/07/2010	59	Managing Director TTK -LIG Limited	-
Dinesh Garg	Senior Vice President - Appliances	9224458		BE (Agricultural Engg), PGDM (Marketing) - IIM Ahmedabad	30	10/07/1997	53	Regional Sales Manager- Band Street Perfumes & Cosmetics	-
V. Sundaresan	Senior Vice President - Finance & CFO	9107522		B.Com, FCA	37	16/06/1997	63	GM- Finance, Gain Well Medi Mart Ltd, Bangalore	-
K.G. George	Senior Vice President- Retail	9104265		BE (Mech), PGDM -IIM, Bangalore	38	01/04/1992	54	Sales Executive- TVS Suzuki	-
Manas Martha	Vice President- Human Resources	5450617		BSC, MBA - HR	22	08/09/2014	46	TAFE Limited	-
Ramesh Baskar Rao	Sr.Vice President - Process Development	4700604		AME Instrumentation	42	16/02/1982	63	Indian Telephone Industries	-
Jayaraman Ravishankar	Vice President - Operations	4635373		B.E	22	16/11/2011	51	TTK LIG LIMITED	-
N. Radhakrishnan	Sr.Vice President - Taxation & Legal	4500365		B.Com, ACA, ACMA, ACS, LLB	30	29/05/1998	56	Crompton Greaves Limited	-

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

None of the employees excepting Mr. T.T. Jagannathan is a relative of any of the Directors. Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan, Director and father of Dr. T.T. Mukund, Director.



**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED **31<sup>st</sup> March, 2018**

(Pursuant to section 204 (1) of Companies Act 2013 and rule No 9 of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2018** and made available to me, according to the provisions of:

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

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, and
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- (a) The Patents Act, 1970 (Not applicable during the Audit period)
- (b) The Trade Marks Act, 1999 (Not applicable during the Audit period).

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

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

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

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

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

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The

changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

**I further report that,** based on the information provided and the representation made by the Company and also on the review of the quarterly compliance reports of the Managing

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

**I report further that,** during the audit period:

The Company has bought back and extinguished 1,00,000 equity shares of ₹ 10 each at a price of ₹ 7,000 per equity share aggregating ₹ 70 Crores and the buyback was completed on August 04, 2017; and

there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

Place: Bengaluru

Date: May 21, 2018

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

# TTK Prestige Limited

## REPORT ON CORPORATE GOVERNANCE

### Business Responsibility Report – as required under Regulation 34(2)(f) of SEBI

#### (Listing Obligation and Disclosure ) Regulations

#### Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L85110TZ1955PLC015049
2	Name of the Company	TTK Prestige Limited
3	Registered address	Plot No. 38, SIPCOT INDUSTRIAL COMPLEX, HOSUR, 635126
4	Website	<a href="http://www.ttkprestige.com">www.ttkprestige.com</a>
5	E-mail id	ttkcorp@ttkprestige.com
6	Financial Year reported	31-03-2018
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	3463 and 3469
8	List three key products/services that the Company manufactures/provides (as in balancesheet)	Pressure cookers, Cookware and Gas stoves
9	Total number of locations where business activity is undertaken by the Company	
	Number of International Locations (Provide details of major 5)	NIL
	Number of National Locations	
	Factories	5
	Corporate Office	1
	Branches	26
10	Markets served by the Company – Local/State /National/International	Serves National and International markets

#### Section B: Financial Details of the Company

(₹ in Crores)

1	Paid up Capital (INR)	11.56
2	Total Turnover (INR)	1848.71
3	Total profit after taxes and OCI (INR)	257.11
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.3% of profits (However, this is 2% of Average profits for the last 3 years)
5	List of activities in which expenditure in 4 above has been incurred	Education, Infrastructure and Sanitation facilities for Rural Schools, Calamity relief, Healthcare and Research for rehabilitation equipment for the disabled.

#### Section C: Other Details

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

**REPORT ON CORPORATE GOVERNANCE**
**Section D: BR Information**
**1. Details of Director/Directors responsible for BR**

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

DIN NUMBER: 03474813

NAME: CHANDRU KALRO

DESIGNATION: MANAGING DIRECTOR

DIN NUMBER : 00043205

NAME: K.SHANKARAN

DESIGNATION: DIRECTOR & WHOLETIME SECRETARY

- b. Details of the BR head

S.No.	Particulars	Details
1.	DIN Number (if applicable)	00043205
2.	Name	K.SHANKARAN
3.	Designation	DIRECTOR & WHOLE-TIME SECRETARY
4.	Telephone number	91- 80- 22218817
5.	E-mail id	ks@ttkprestige.com

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

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words) <i>The various policies are captured in the current document of Code of Conduct &amp; Governance Philosophy of the Company. The principles contained in various Laws and Conventions are incorporated into the policies. These policies also take into account the Standards like ISO 9001, BS OHSAS 18001, ISO 14001, PED 97/23/EC, BSCI and SA8000.</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online? <a href="http://www.ttkprestige.com">www: ttkprestige.com</a>	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y



# TTK Prestige Limited

## REPORT ON CORPORATE GOVERNANCE

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

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

### 3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year-  
*Annual Review*
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?  
*No*

### Section E: Principle-wise performance

#### Principle 1

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

*Largely applies to the Company*

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

*The company received 189 complaints from shareholders and all have been resolved. The company has not received any complaints from other stakeholders. As regards after sales service, the same is being handled through a wide network of service centres and online customer service.*

#### Principle 2

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

##### **MICROWAVE PRESSURE COOKER and Coffee Percolator**

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

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

##### **INDUCTION COOK TOP**

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

##### **DUO WATER FILTER:**

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

## REPORT ON CORPORATE GOVERNANCE

The EMS (Environmental Management systems) ISO 14001 has ensured we identify and assess potential environmental risks. This has been audited by Ms. TUV Rhineland, A German Notified Body.

The BS OSHAS 18001 (Occupational Health and safety management systems) has ensured we identify the risks with respect to Health and safety (working environment). This has been audited by Ms. TUV Rhienland, a German Notified Body.

**Initiatives to reduce environmental impact:**

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

*For cooker polishing we are using 10 Litre of Diesel Fuel (fossil fuel), this has been substituted by Bio degradable Liquid, Aqua Blue.*

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

*For cooker packaging, biodegradable poly bags has been initiated.*

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

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

*Reduction of approximately 8% was achieved in input material consumption of our Plant at Roorkee, Uttarakhand.*

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

**THE FOLLOWING WERE THE EFFORTS UPTO THE PREVIOUS YEAR**

- o *In the case of metallic cookers, reduction in input material as aforesaid enables conservation of precious metal resource for the society at large*
- o *In the case of Microwave cookers, faster, healthier cooking compared to conventional Gas Stove/Induction Hob cooking.*
- o *Ammonia liquid cooling system for Hard anodising plant in Karjan plant has helped save 3,80,000 units per annum.*
- o *Introduced Transistor technology for SS pot base brazing. This saves 35% of energy compared to the conventional diode technology.*
- o *One of our factory has incorporated the CPCS (Compound Parabolic Converter Solar System), the first in India which uses solar energy*

➤ *100 KW Solar Panels for Electricity*

➤ *Solar Hot water system for heating of 1.2 Lac Litres*

➤ *Substituted kerosene with biodegradable liquid, aqua blue cleaning solution*

➤ *Started using biodegradable plastic covers.*

➤ **IMPROVEMENTS DURING THE CURRENT YEAR:**

➤ *Food crusher to crush food wastages in canteen to avoid methane emission*

➤ *Combined Effluent Treatment Plant and Sewage Treatment Plant – Treated water used for gardening – ZERO discharge outside factory premises*

➤ *Water mapping done and consumption reduced*

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

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

About 70% of our inputs are sourced sustainable. We have established vendors both within and outside India. We also have back up list of vendors in case of inability of any of the existing suppliers. A sustainable procurement policy is in place.

*Commissioned and productionised soft touch handle coating line to produce up to 10,000 per day. This has reduced our import of the handle import substitution.*

# TTK Prestige Limited

## REPORT ON CORPORATE GOVERNANCE

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

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

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

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

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

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

### Principle 3

Please indicate the Total number of employees. 1373 permanent

Please indicate the Total number of employees hired on temporary/contractual/casual basis.- 1766

Please indicate the Number of permanent women employees: 18

Please indicate the Number of permanent employees with disabilities : 12

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

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

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

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

Other factories are relatively new. However, a formal grievance redressal mechanism and collective bargaining through committees is existing.

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

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

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

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

### Principle 4

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

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

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

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

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

**REPORT ON CORPORATE GOVERNANCE**

**Principle 5**

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

The policy covers only the Company

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

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

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

**Principle 6**

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

*Largely covers the company only*

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

*Being developed*

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

*Yes*

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

*No*

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

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

*Wherever feasible we have installed solar power generators.*

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

*Yes*

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

*Nil*

**Principle 7**

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

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

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

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



# TTK Prestige Limited

## REPORT ON CORPORATE GOVERNANCE

### Principle 8

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

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

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

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

Have you done any impact assessment of your initiative? Yes

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

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

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

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

### Principle 9

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

*Insignificant*

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

Yes

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

Nil

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

The Company carries out formal and informal surveys through its service camps, its exclusive retail network -Prestige Smart Kitchens and external research agencies

## Report on Corporate Governance

[Pursuant to Schedule V (C) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR)}]

### 1. Company's Philosophy on Code of Corporate Governance

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

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

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

### 2. Board of Directors

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

The Board consists of 10 Directors. The composition of the Board conforms to the SEBI (LODR), as per the details given below:

Category	name of the Director
Promoter /Executive Director	Mr. T.T. Jagannathan Executive Chairman
Promoter/Non-Executive Directors	Mr. T.T. Raghunathan Dr. T.T. Mukund
Non-Promoter/ Executive Directors	Mr. Chandru Kalro (Managing Director)
Non-Promoter/ Non-Executive Director	Mr. K. Shankaran (Director & Whole-time Secretary)
Non-Executive Independent Directors	Mr. R. Srinivasan Dr. (Mrs.) Vandana Walvekar Mr. Dileep Kumar Krishnaswamy Mr. Arun K. Thiagarajan Mr. Murali Neelakantan

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

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

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

name of the Director	Date of the Board Meetings and attendance					Date of the last aGM & attendance
	24.04.2017	30.05.2017	11.08.2017	24.10.2017	24.01.2018	
Mr. T.T. Jagannathan	✓	✓	✓	✓	✓	✓
Mr. T.T. Raghunathan	✓	✓	LOA	LOA	LOA	LOA
Mr. Chandru Kalro	✓	✓	✓	✓	✓	✓
Dr. T.T. Mukund	✓	✓	✓	✓	✓	✓
Mr. R. Srinivasan	✓	✓	✓	✓	✓	✓
Dr. (Mrs) Vandana Walvekar	✓	LOA	✓	✓	✓	✓
Mr. K. Shankaran	✓	✓	✓	✓	✓	✓
Mr. Dileep K Krishnaswamy	✓	✓	✓	✓	✓	✓
Mr. Arun K Thiagarajan	✓	LOA	✓	✓	LOA	✓
Mr. Murali Neelakantan	✓	✓	✓	✓	✓	✓

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

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

name of the Director	no. of other Directorships & Committee Member/Chairmanships		
	other Directorships	Committee Memberships	Committee Chairmanships
Mr. T.T. Jagannathan	3	-	-
Mr. T.T. Raghunathan	3	-	-
Mr. Chandru Kalro	-	-	-
Mr. R. Srinivasan	6	1	5
Dr.(Mrs) Vandana Walvekar	1	-	-
Mr. K. Shankaran	1	1	1
Mr. Dileep K Krishnaswamy	-	-	-
Mr. Arun K Thiagarajan	6	1	5
Mr. Murali Neelakantan	1	-	-
Dr. T.T.Mukund	-	-	-

- Other Directorships do not include Private Companies.
- Chairmanship/Membership of the Audit Committee and the Stakeholders Relationship Committee alone was considered for the purpose of reckoning the limit of Chairmanship/Membership of the Board level Committees.
- None of the Directors is a member of more than 10 Board-level Committees of Public Companies or is a Chairman of more than 5 such Committees.

(d) **Board Meetings held during the year 2017-18 and its dates:**

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

- 24<sup>th</sup> April, 2017
- 30<sup>th</sup> May, 2017
- 11<sup>th</sup> August, 2017
- 24<sup>th</sup> October, 2017
- 24<sup>th</sup> January, 2018

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

As stipulated under Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, separate meetings of the Independent Directors were held on April 24, 2017, October 24, 2017 and January 24, 2018. Amongst other matters they reviewed the performance of Non-Independent Directors and the Board as a whole; reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(f) **no. of shares and Convertible Instruments held by non-executive Directors:**

names of the non-executive Directors	no. of equity Shares held
Mr T.T. Raghunathan	2000
Dr. T.T. Mukund	2,74,830
Dr.(Mrs.) Vandana Walvekar	1172
Mr R. Srinivasan	0
Mr Arun K. Thiagarajan	0
Mr Murali Neelakantan	0
Mr Dileep Kumar Krishnaswamy	0
Mr K. Shankaran – Director & Whole-time Secretary	1092

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

Pursuant to Regulation 25(7) of the SEBI (LODR) Regulations, 2015, familiarization programmes were imparted to Independent Directors of the Company, periodically, on the nature of the industry and the business model of the Company, roles, rights and responsibilities of the Independent Directors and other relevant information.

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

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

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

**3. auDIt CoMMIttee :****(a) terms of Reference:**

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

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

**(b) Composition, name of the Members and Chairperson:**

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

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

**(c) Meetings and attendance during the year 2017-18:**

name of Director	Date of the Meetings and attendance			
	30.05.2017	11.08.2017	24.10.2017	24.01.2018
Mr. R. Srinivasan	✓	✓	✓	✓
Mr. Dileep K Krishnaswamy	✓	✓	✓	✓
Mr. Arun Thiagarajan	LOA	✓	✓	LOA

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

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

### 4. no MIat Ion an D ReMune Rat Ion CoMMIttee :

#### (a) terms of reference:

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

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

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

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

name of Director	position	Category
Mr. R. Srinivasan	Chairman	Non-Promoter / Non-Executive / Independent
Mr. Arun Thiagarajan	Member	Non-Promoter / Non-Executive / Independent
Mr. Murali Neelakantan	Member	Non-Promoter / Non-Executive / Independent
Mr. K. Shankaran	Secretary	-

#### (c) Meeting and attendance:

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

name of Director	Date of the Meeting and attendance
	24.04.2017
Mr. R. Srinivasan	✓
Mr. Arun Thiagarajan	✓
Mr. Murali Neelakantan	✓

#### (d) performance evaluation criteria for Independent Directors:

The performance evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Directors being evaluated.

The criteria of evaluation was formulated in the Remuneration Policy of the Company and for the year 2017-18, the Independent Directors were evaluated, on the basis of a few parameters comprising of attendance at meeting either in person or through video / tele-conferencing, participation in discussions on various items on the agenda, dealing with respect to conflict of interest situation and any specific ideas and contribution to the long term business strategy of the company.

Further, the evaluation of the Independent Directors also included the additional criteria provided by SEBI in its Guidance Note on Board Evaluation contained in Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5<sup>th</sup> January, 2017.

### (5) ReMune Rat Ion o F DIReCto RS:

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

- (a) Pursuant to proviso to Section 194(4) of Companies Act, 2013, a Non-Executive Director which in the opinion of Nomination Committee holds necessary professional qualification can be compensated for services render-



**Report On Corporate Governance (Contd...)**

ing to the Company in his professional capacity. Accordingly Mr. Murali Neelakantan who possesses necessary qualifications as a Lawyer has been paid a sum of ₹2.30 lakhs for services rendered by him in his professional capacity as a legal consultant.

**(b) Criteria of making payments to non-executive Directors:**

The Non-Executive Directors were paid Sitting Fees of ₹20,000/- per meeting attended by them for the Board Meetings and Committee Meetings.

With effect from May 1, 2017 the Sitting fees were paid as follows:

Board Meetings and Audit Committee Meetings	-	₹ 50,000 per meeting
Other Committee Meetings	-	₹ 25,000 per meeting

The Non-Executive Directors were also entitled to commission pursuant to the special resolution already passed by the shareholders. This information has been posted on the website of the company [www.ttkprestige.com](http://www.ttkprestige.com).

Director	Sitting fees (₹)	Commission (₹)	t otal (₹)
Mr. T.T. Raghunathan	70,000	17,14,000	17,84,000
Dr. (Mrs.)Vandana Walvekar	1,70,000	17,14,000	18,84,000
Mr. R. Srinivasan	4,65,000	17,14,000	21,79,000
Mr. Dileep K. Krishnaswamy	4,45,000	17,14,000	21,59,000
Mr. Arun K. Thiagarajan	2,40,000	17,14,000	19,54,000
Mr. Murali Neelakantan	2,40,000	17,14,000	19,54,000
Dr. T.T. Mukund	2,20,000	17,14,000	19,34,000

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

The Policy of fixing the remuneration to Non-Executive Directors amongst others is contained in the Company's policy relating to Selection, Remuneration and Evaluation of Directors and Senior Management and the same is available on the website of the Company, [www.ttkprestige.com](http://www.ttkprestige.com).

**(c) Disclosure with respect to remuneration paid to the Whole time Directors for the year 2017-18 are as follows:**

₹ in lacs

particulars of Remuneration	Mr. t .t. Jagannathan executive Chairman	Mr. Chandru Kalro Managing Director
Salary	60.00	24.00
Benefits:		
HRA & Other Allowances	50.07	25.19
Contribution to PF & Other Funds	10.00	4.60
Bonus	-	-
Fixed Component Performance Linked Incentives	-	-
Performance Linked Incentives	966.89	290.07
Performance Criteria	Profit Linked	Profit Linked
Service Contracts	5 years w.e.f. 01.7.2013	5 years w.e.f. 01.04.2015
Notice Period	-	-
Severances Fees	NIL	NIL
Stock Options	NIL	NIL
Pension	-	-
<b>t otal</b>	<b>1086.96</b>	<b>343.86</b>

The Managerial remuneration paid to the Whole time Directors is in line with the provisions of Section 197 and other applicable provisions of the Companies Act, 2013.

The Company currently does not have Stock Options Scheme.

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

### (6) Stakeholders Relationship Committee :

#### (a) Composition, name of Members and Chairperson:

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

name of Director	position	Category
Mr. Dileep K. Krishnaswamy	Chairman	Non-Promoter / Non-Executive
Mr. K. Shankaran	Member	Non-Promoter / Non-Executive
Mr. Chandru Kalro	Member	Non-Promoter / Executive

#### (b) Name and Designation of Compliance Office

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

#### (c) During the year under review the committee met once. The total number of complaints received during the year was 189. No complaints were pending as on 31<sup>st</sup> March, 2018.

Details of Shareholders' Complaints received during the year 2017-18:

nature of Complaints	Complaints received during the year 2017-18	Solved to the satisfaction of the Shareholders	pending Complaints
Non-receipt of Dividends	129	129	0
Non-receipt of Shares sent for transfer/transmission	48	48	0
Non-receipt of Annual Report	12	12	0
<b>total</b>	<b>189</b>	<b>189</b>	<b>0</b>

### (7) Corporate Social Responsibility SIBILIT Y Committee :

#### (a) terms of reference:

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

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

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

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

name of Director	position	Category
Mr. T.T. Jagannathan	Chairman	Promoter / Executive / Non-Independent
Mr. R. Srinivasan	Member	Non-Promoter / Non-Executive / Independent
Mr. K. Shankaran	Member	Non-Promoter / Non-Executive / Non-Independent

#### (c) Meeting and attendance:

During the year under review, the Committee met on 23<sup>rd</sup> June, 2017 and all the members attended the meeting. The Committee placed before the Board the status of various projects already approved and the projects undertaken as per the policy approved by the Board and the amounts that are being spent towards CSR activities.

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

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

**(8) GeneRaL BoDY Meet InGS:**

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

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

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

Year	Location	Date	time	no. of special resolutions passed
2015	Hotel Claresta Sarovar Portico, No.422, SIPCOT Phase II, Bengaluru Road, Hosur – 635 109	23.07.2015	12 Noon	-
2016	Hotel Claresta Sarovar Portico, No.422, SIPCOT Phase II, Bengaluru Road, Hosur – 635 109	03.08.2016	12 Noon	2
2017	Hotel Claresta Sarovar Portico, No.422, SIPCOT Phase II, Bengaluru Road, Hosur – 635 109	11.08.2017	12 Noon	-

**(c) Special Resolutions passed through postal Ballot and details of voting pattern during the year 2017-18:**

The Company successfully completed the process of obtaining approval of its Members through Postal Ballot on 20.05.2017 for Adoption of new Articles of Association of the Company in conformity with the Companies Act, 2013. The complete details are available in the Annual Report for the year 2016-17.

**(d) Passing of Special Resolutions through Postal Ballot, during the year 2018-19:**

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

**(9) Mean S o F Co MMun ICat Ion**

(a) The Unaudited Financial Results for every Quarter and the Annual Audited Financial Results of the Company, in the prescribed proforma, are taken on record by the Board and are submitted to the Stock Exchanges.

(b) The same are published, within 48 hours, in "Economic Times – South and Mumbai, Financial Express, Business Standard" and "Dina Thanti".

(c) The Quarterly / Annual Results are also posted on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com) and also on the website of the BSE Limited and National Stock Exchange of India Limited.

(d) All the Official news releases are disseminated on the website of the Company.

(e) The presentations made to institutional investors or to the analysts are posted on the website of the Company.

**(10) GeneRaL SHaReHoLDeRS InFoRMat Ion :**

**(a) Date, time and venue of the annual General Meeting:**

Date	:	25 <sup>th</sup> July, 2018
Day	:	Wednesday
Time	:	11.45 a.m.
Venue	:	Hotel Claresta Sarovar Portico, No.422, SIPCOT Phase II, Bengaluru Road, Hosur – 635 109

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

Financial Year	:	April 2018 – March 2019
Unaudited First Quarter Results	:	Before 15 <sup>th</sup> August 2018
Unaudited Second Quarter Results	:	Before 15 <sup>th</sup> November 2018
Unaudited Third Quarter Results	:	Before 15 <sup>th</sup> February 2019
Audited Annual Results	:	Before 30 <sup>th</sup> May 2019

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

### (c) Dividend payment Date:

The Board of Directors have recommended a final dividend of ₹30/- per share subject to approval of shareholders. The final dividend will be paid on 8<sup>th</sup> August, 2018.

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

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

The Listing fees has been paid for the financial year 2018-19.

### (e) Stock Code:

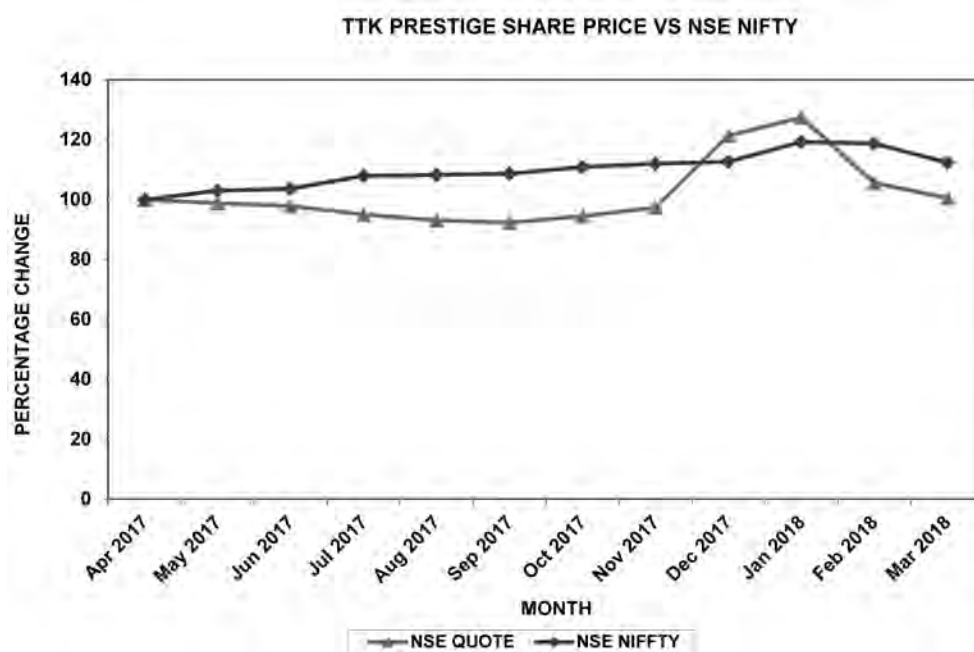
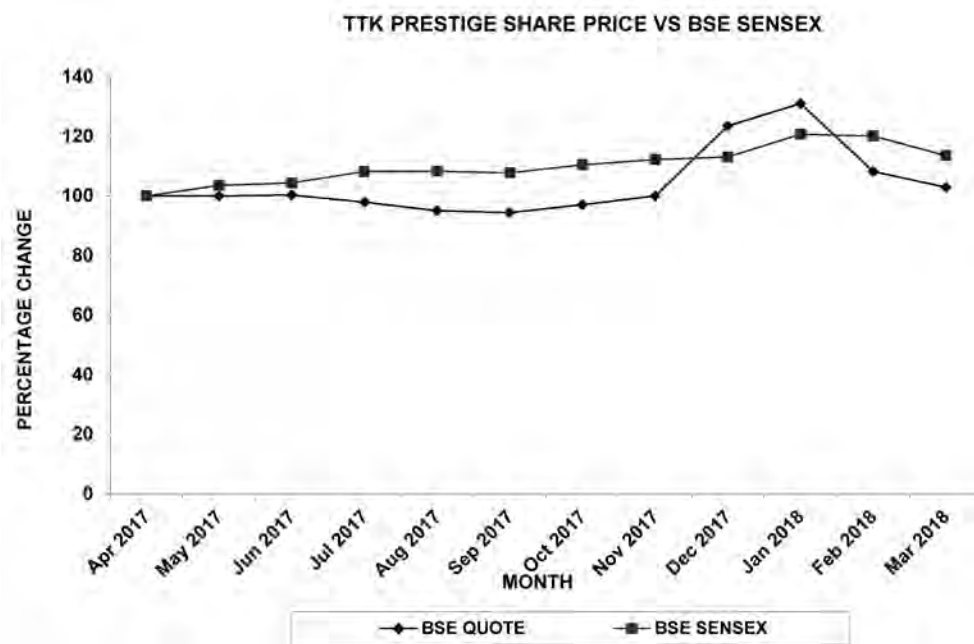
BSE	517506
NSE	TTKPRESTIG
ISIN	INE690A01010

### (f) Market price Data

Month	National Stock Exchange			BSE Limited		
	High	Low	Volume	High	Low	Volume
Apr 2017	6984.45	5823.95	207832	6800.00	5860.30	8007
May 2017	6900.00	6055.00	274567	6800.00	6051.50	11697
Jun 2017	6836.10	6465.00	119559	6824.35	6511.00	31174
Jul 2017	6638.75	6302.95	55370	6660.00	6300.00	14051
Aug 2017	6500.75	6072.00	105299	6465.00	6093.00	28494
Sept 2017	6450.00	6165.65	56122	6424.00	6200.15	15344
Oct 2017	6600.00	5950.05	250713	6600.00	5911.65	61671
Nov 2017	6800.00	6400.00	105784	6799.80	6400.00	6539
Dec 2017	8474.00	6421.55	268731	8399.00	6455.00	11890
Jan 2018	8900.00	7250.00	215307	8911.20	7280.00	19848
Feb 2018	7374.75	6555.05	93098	7361.00	6550.00	8306
Mar 2018	7021.00	6150.00	52361	7000.00	6051.00	11841

### (g) performance comparison to BSE Sensex and nifty

Month	tt K Share price	% Change to Base	BSE Sensex	% Change to Base	tt K Share price	% Change to Base	nSe nifty	% Change to Base
	High		High		High		High	
Apr 2017	6800.00	0	30184.22	0	6984.45	0	9367.15	0
May 2017	6800.00	0	31255.28	3.5	6900.00	-1.21	9649.60	3.02
Jun 2017	6824.35	0.4	31522.87	4.4	6836.10	-2.12	9709.30	3.65
Jul 2017	6660.00	-2.1	32672.66	8.2	6638.75	-4.95	10114.85	7.98
Aug 2017	6465.00	-4.9	32686.48	8.3	6500.75	-6.93	10137.85	8.23
Sept 2017	6424.00	-5.5	32524.11	7.8	6450.00	-7.65	10178.95	8.67
Oct 2017	6600.00	-2.9	33340.17	10.5	6600.00	-5.5	10384.50	10.86
Nov 2017	6799.80	0	33865.95	12.2	6800.00	-2.64	10490.45	11.99
Dec 2017	8399.00	23.5	34137.97	13.1	8474.00	21.33	10552.40	12.65
Jan 2018	8911.20	31.0	36443.98	20.7	8900.00	27.43	11171.55	19.26
Feb 2018	7361.00	8.3	36256.83	20.1	7374.75	5.59	11117.35	18.68
Mar 2018	7000.00	2.9	34278.63	13.6	7021.00	0.52	10525.50	12.37



**(h) Suspension of Securities from trading by Directors – NIL**

**(i) Registrars & transfer agents:** Karvy Computershare (P) Limited  
 Karvy Selenium Tower B, Plot 31-32,  
 Gachibowli Financial District  
 Nanakramguda, Hyderabad – 500 032  
 Phone No: 040 6716 1653

**(j) Share transfer system**

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



# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

Also the Company has made arrangements for simultaneous dematerialization of Share Certificate(s) lodged for transfer, subject to the regulations specified by SEBI in this regard. As at 31<sup>st</sup> March, 2018, no Equity Shares were pending for transfer.

### (k) Distribution of Shareholding as on 31<sup>st</sup> March, 2018

Category (amount)	Shareholders			Shares	
	nos.	%	t total shares	₹	%
1 – 5000	24582	99.81	919856	9198560	7.96
5001 - 10000	6	0.02	45312	453120	0.40
10001 - 20000	7	0.03	106574	1065740	0.92
20001 - 30000	11	0.05	294848	2948480	2.55
30001 - 40000	3	0.01	100418	1004180	0.87
40001 - 50000	2	0.01	95083	950830	0.82
50001 - 100000	10	0.04	672507	6725070	5.82
100001 & Above	8	0.03	9316571	93165710	80.66
<b>t total</b>	<b>24629</b>	<b>100.00</b>	<b>11551169</b>	<b>115511690</b>	<b>100.00</b>

### Categories of equity Shareholders as on 31<sup>st</sup> March, 2018:

Category	Category of Shareholder	no. of Shareholders	no. of Shares held	Shareholding as a % of total no. of shares	no. of equity Shares held in Dematerialized Form
<b>(a)</b>	<b>promoter &amp; promoter Group</b>				
<b>(1)</b>	<b>Indian</b>				
(a)	Individuals / Hindu Undivided Family	5	1145449	9.92	1145449
(b)	Central Government / State Government(s)	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0
(d)	Any other (specify)				
	(i) Partnership Firms	1	6970334	60.34	6970334
	(ii) Bodies Corporate	1	14800	0.13	14800
	<b>Sub-t total (a)(1)</b>	<b>7</b>	<b>8130583</b>	<b>70.39</b>	<b>8130583</b>
<b>(2)</b>	<b>Foreign</b>				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any other (specify)	0	0	0	0
	<b>Sub-t total (a)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>t total Shareholding of promoter and promoter Group (a)=(a)(1) + (a)(2)</b>	<b>7</b>	<b>8130583</b>	<b>70.39</b>	<b>8130583</b>
<b>(B)</b>	<b>public</b>				
<b>(1)</b>	<b>Institutions</b>				
(a)	Mutual Funds	4	917555	7.94	917455
(b)	Venture Capital Funds	0	0	0.00	0
(c)	Alternate Investment Funds	0	0	0.00	0

Category	Category of Shareholder	no. of Shareholders	no. of Shares held	Shareholding as a % of total no. of shares	no. of equity Shares held in Dematerialized Form
(d)	Foreign Venture Capital Investors	0	0	0.00	0
(e)	Foreign Portfolio Investors	64	1211794	10.49	1211794
(f)	Financial Institutions / Banks	4	1886	0.02	1786
(g)	Insurance Companies	0	0	0.00	0
(h)	Provident Funds / Pension Funds	0	0	0.00	0
(i)	Any other (please specify)				
	(i) Foreign Nationals	1	74	0	74
	<b>Sub total (B)(1)</b>	<b>73</b>	<b>2131309</b>	<b>18.45</b>	<b>2131109</b>
<b>(2)</b>	<b>Central Government / State Government(s) / president of India</b>	0	0	0.00	<b>0</b>
	<b>Sub total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>(3)</b>	<b>non-Institutions</b>				
(a)	Individuals -				
(i)	Individual Shareholders holding nominal share capital upto ₹ 2 lakhs.	23199	796117	6.89	669482
(ii)	Individual Shareholders holding nominal share capital in excess of ₹2 lakhs	3	135160	1.17	115000
(b)	NBFCs registered with RBI	4	264	0.00	264
(c)	Employee Trusts	0	0	0.00	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0.00	0
(e)	Any other (specify)	0	0	0.00	0
	Bodies Corporate	550	215183	1.86	214083
	Non-Resident Indians	546	23492	0.20	23392
	Clearing Members	44	2059	0.02	2059
	Trusts	4	70844	0.62	70844
	NRI – Non Repatriable	197	8451	0.07	8451
	IEPF	2	37707	0.33	37707
	<b>Sub-t total (B)(3)</b>	<b>24549</b>	<b>1289277</b>	<b>11.16</b>	<b>1141282</b>
	<b>total public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b>	<b>24622</b>	<b>3420586</b>	<b>29.61</b>	<b>3272391</b>
	<b>total (a+B)</b>	<b>24629</b>	<b>11551169</b>	<b>100</b>	<b>11402974</b>

**note:**

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

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

The issued capital of the company is 11668490. We have forfeited 28600 shares in December 2008. We have annulled 1300 shares so far. 3,00,000 Equity shares of ₹10 each allotted on Preferential basis to M/s Cartica Capital Limited during the Financial Year 2013-14.

The Company has issued 9979 equity shares to the shareholders of Triveni Bialelli Industries (P) Limited pursuant to a Scheme of Arrangement during the Financial year 2016-17.

Company has bought back 1,00,000 equity shares during the year.

### Dematerialisation of Shares and Liquidity as on 31<sup>st</sup> March, 2018

	no. of Shareholders	no. of Shares	% of Shares
No. of Shareholders in Physical Mode	1214	148195	1.283
No. of Shareholders in Electronic Mode	23415	11402974	98.717
<b>t otal</b>	<b>24629</b>	<b>1151169</b>	<b>100.00</b>

Days taken for Dematerialisation	n o. of Requests	n o. of Shares	% of Shares	
15 days	115	22651	0.20	
	national Securities Depository Limited (nSDL)		Central Depository Services (I) Limited (CDSL)	
	2017-18	2016-17	2017-18	2016-17
Number of Shares Dematerialised	16754	7004	5897	4300
Number of Shares Rematerialised	NIL	NIL	Nil	NIL

<b>l.</b>	<b>outstanding GDRs / aDRs/ Warrants or any convertible Instruments</b>	The Company has not issued any GDRs/ADRs/ Warrants & Convertible Instruments.
<b>m</b>	<b>Commodity price risk or foreign exchange risk and hedging activities</b>	Forward covers taken against Import obligation in foreign currency
<b>n.</b>	<b>plant Locations</b>	<ol style="list-style-type: none"> <li>Plot Nos. 82 &amp; 85, Sipcot Industrial Complex, Hosur – 635 126, Tamilnadu.</li> <li>Plot No. 38, Sipcot Industrial Complex, Hosur – 635 126, TamilNadu</li> <li>Myleripalayam Village, Kovai Terku Coimbatore, Tamilnadu – 641 032.</li> <li>Plot No.1A &amp; 2, Dev Bhoomi Industrial Estate, Roorkee, Uttarakhand – 247 667.</li> <li>Vemardi Road, Juni Jithardi Village, Karjan Taluka, Vadodara, Gujarat - 391 240</li> <li>231, Khardi, Shahpur, Thane, Maharashtra - 421301</li> </ol>
<b>o.</b>	<b>address for Correspondence</b>	<p><b>Registered Offi :</b>                      Plot No.38, SIPCOT Industrial Complex,                      Hosur – 635 126, Tamilnadu                      (During March 2009 the Registered Office was shifted from Bengaluru, Karnataka to Hosur, Tamilnadu)</p> <p><b>Administrative Office &amp; Investor Correspondence address:</b>                      Secretarial Department                      11<sup>th</sup> Floor, Brigade Towers,                      135, Brigade Road,                      Bengaluru 560 025                      Tel: 080-22217438, 22217439                      Fax: 080-22277446                      E-mail: investorhelp@ttkprestige.com</p>

**10. ot HeR DISCLoSuReS:****(a) Related party Disclosure:**

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

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

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

The Board of Directors of the Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR). The Policy as approved by the Board is uploaded on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com). The details of the Related Party Transactions in Form AOC-2 are annexed as Annexure "C" (Page No. 28) to this Report.

The particulars of transactions between the Company and its related parties as per Ind-AS -24 are set out on Page No. 99 of this Annual Report.

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

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

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

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

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

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

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

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

**(e) Subsidiary Company:**

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

Horwood Homewares Limited, Horwood Homewares Holdings Limited are the subsidiaries of TTK British Holdings Limited.

**(f) Policy on Related Party Transactions, as approved by the Board of Directors, is uploaded on the Company's website at [www.ttkprestige.com](http://www.ttkprestige.com)****(g) Disclosure of commodity price risks and commodity hedging activities: Included in notes to accounts in this Annual Report.**

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

### 11. non -Co MpLIan Ce oF an Y ReQuIReMent oF Co Rpo Rate Gove Rnan Ce Repo Rt :

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

### 12. DISCLoSURE ReLAt InG to aDOpt Ion oF DISCRet Iona RY ReQuIReMent S:

- (a) The Board: The Company does not have Non-Executive Chairman.
- (b) Shareholders Right: The Company does not mail the Unaudited Half-yearly Financial Results individually to its shareholders. However, these are published in "Economic Times, South and Mumbai editions, Financial Express, Business Standard" & "Dina Thanti" and are also posted on the website of the Company <http://www.ttkprestige.com>.
- (c) Modified Opinion(s) in Audit Report: NIL
- (d) Separate Posts of Chairperson and Chief Executive Officer (CEO): The Chairman of the Board is an Executive Chairman and his position is separate from that of the CEO since Managing Director is the CEO.
- (e) Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

### 13. DISCLoSURE oF Co MpLIan Ce:

#### Regulation 17 – Board of Directors:

- (i) The composition and meetings of the Board of Directors are complied with.
- (ii) Periodical review of Statutory Compliance Report, Quarterly / Half-year / Annual Corporate Governance Report, Quarterly Investor Grievance Report, etc. are carried out by the Board of Directors.
- (iii) **Code of Conduct for the Directors (incorporating the duties of Independent Directors) and Senior Management of the Company:** The Board of Directors had laid down a Code of Conduct applicable to all the Directors and Senior Managers of the Company. The said Code of Conduct had also been posted on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com). A report on the compliance aspect of the Code of Conduct given by the CEO/Managing Director has been given at Page No. 57 of this Annual Report.

**Code of Conduct for prevention of Insider trading:** Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of your Company has adopted a Code of Conduct for prevention of Insider Trading. This Code of Conduct is applicable to all designated persons as defined in the said policy who are expected to have access to unpublished price sensitive information relating to the Company. The said Code of Conduct has also been posted on the website of the Company [www.ttkprestige.com](http://www.ttkprestige.com). Further, the Board of Directors of your Company also formulated and published on its website a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and formulated Code of conduct to regulate, monitor and report trading by Insiders and administered by the Compliance Officer.

- (iv) **Board Disclosure – Risk Management:** Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.

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

- (v) The details relating to the Performance Evaluation of the Independent Directors by the entire Board of Directors is given in Page No. 44 to this Report.

#### Regulation 18 – Audit Committee:

Compliance to this Regulation is given in Page No. 43 to this Report.

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

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

#### Regulation 20 – Stakeholders Relationship Committee:

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



## Report On Corporate Governance (Contd...)

**Regulation 21** – Risk Management Committee:

Not applicable to your Company. However, your Company has formulated a Risk Management Policy and a reference to this is given in Page No. 14 to this Report.

**Regulation 22** – Vigil Mechanism:

Compliance to this Regulation is given in Page No. 53 to this Report.

**Regulation 23** – Related Party Transactions:

Compliance to this Regulation is given in Page No. 28 to this Report.

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

Compliance to this Regulation is given in Page No. 53 to this Report.

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

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

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

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

All the Directors and Senior Management had affirmed compliance to the Code of Conduct of Board of Directors and Senior Management as on 31<sup>st</sup> March, 2018.

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

Information relating to this Regulation is given in Page No. 53 to this Report.

**Regulation 46(3)** - Website

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

**14. ot HeR aDDIt Iona L DISCLOSuReS [as per Schedule v to the SeBI (LoDR)]:**

**Related party Disclosure:** Please refer Page 53 to this Report.

**Management Discussion and analysis Report:**

The Management Discussion and Analysis Report is furnished in Pages 11 to 14 this Annual Report.

**Disclosure on accounting treatment:**

In the preparation of financial statements, Generally Accepted Accounting Principles and policies were followed. The Accounting Standards notified under Companies (Accounting Standards) Rules, 2015 were followed in the preparation of financial statements.

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

Please refer Page No. 57 to this Report.

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

Please refer Page No. 58 to this Report.

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

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

# TTK Prestige Limited

## Report On Corporate Governance (Contd...)

**Other constituents of the TTK Group within the meaning of "Group" under SeBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 include:**

- T.T. Krishnamachari & Co. and its partners & relatives of the partners
- TTK Healthcare Limited
- TTK Protective Devices Limited
- TTK Services (P) Limited
- TTK Property Services (P) Ltd.
- TTK Tantex Limited
- CignaTTK Health Insurance Company Limited
- Packwell Packaging Products Limited
- Pharma Research & Analytical Laboratories
- Peenya Packaging Products
- TTK Partners LLP
- Immidart Technologies LLP
- TTK British Holdings Limited
- Horwood Homewares Limited
- Horwood Homewares Holdings Limited

## **Particulars of Directors Seeking Appointment / Re-appointment :**

### **Mr. T. T. Jagannathan**

Mr. T.T. Jagannathan is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA.

He was appointed as Executive Chairman for 5 years term which is valid up to 30<sup>th</sup> June, 2018. The Board of Directors at their meeting held on 12<sup>th</sup> April, 2018 have re-appointed Mr. T.T. Jagannathan as Whole Time Director (in the designation of Executive Chairman) of the company for 5 years subject to approval of Shareholders through special resolution pursuant to section 196 of Companies Act, 2013.

He is also a Director on the Board of the following Companies:

- TTK Healthcare Limited
- TTK Tantex Limited
- TTK Property Services Private Limited
- Horwood Homewares Holdings Limited
- Cigna TTK Health Insurance Company Limited
- TTK Services (P) Limited
- TTK British Holdings Limited

He does not hold any Committee Chairmanship/Membership in the above Companies.

He is the Chairman of the Corporate Social Responsibility (CSR) committee of TTK Prestige Limited.

He holds 354787 shares in the Company (in his individual capacity).

He is the brother of Mr. T.T. Raghunathan, vice chairman and father of Dr. T T Mukund, Director of the Company.

The Board comments his appointment.

### **Mr. K Shankaran**

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

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

## Report On Corporate Governance (Contd...)

He is also a Director on the Board of the following Companies:

- TTK Healthcare Limited
- TTK British Holdings Limited
- Vidal Health TPA Private Limited
- Horwood Homewares Limited
- TTK Services (P) Limited
- Horwood Homewares Holdings Limited
- TTK Property Services Private Limited

He is a Member of Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility (CSR) committee and Chairman of Stakeholders Relationship Committee of TTK Healthcare Limited.

He is the Member of the Corporate Social Responsibility (CSR) committee and Stakeholders Relationship Committee of TTK Prestige Limited.

He holds 1092 shares in the Company.

He is not related to any other Directors or Key Managerial Personnel or their relatives.

The Board comments his re-appointment.

**Reconciliation of Share Capital**

A quarterly audit was conducted by Mr. Parameshwar G. Hegde, Bangalore, Practicing Company Secretary, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the Depositories and the said certificates were submitted to BSE and NSE within the prescribed time limit. As on 31<sup>st</sup> March 2018, there was a difference of 27,300 shares between the issued and listed capital being the partly paid up shares of ₹10/- each forfeited. 1,14,02,974 Equity Shares representing 98.77% of the Paid-up Equity Capital have been dematerialized as on 31<sup>st</sup> March, 2018.

**Certificate of Financial Statements**

As required under Schedule II – Part B to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Managing Director and Chief Financial Officer have furnished the necessary Certificate to the Board of Directors with respect to financial statements and Cash flow statements for the year ended 31<sup>st</sup> March, 2018.

**Adopted Policies**

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

**policy for preservation of Documents** pursuant to the provisions of Regulation 9 Chapter III;

**policy for Disclosure of events or Information** pursuant to the provisions of Regulation 30 Chapter IV;

**policy on dealing with Related party transactions** pursuant to the provisions of Regulation 46(2)(g) Chapter IV; and

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

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

**Declaration on Code of Conduct**

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

Place: Bengaluru

Date: May 21, 2018

**CHANDRAN KALRO**

Managing Director

DIN: 03474813

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

#### **to the Members of TTK Prestige Limited**

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

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

#### **Managements' Responsibility**

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

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

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2018.

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

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

#### **Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2018.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

#### **Restriction of use**

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

**For M/s. pKF Sridhar & Santhanam LLP**  
**Chartered accountants**

Reg. No. 003990S/S200018

**Seethalakshmi M**  
**partner**

Membership No. 208545

**Place: Bengaluru**

**Date : May 21, 2018**

## Independent Auditor's Report

to the Members of TTK Prestige Limited.

### Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of TTK Prestige Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Ind AS financial statement

2. 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 Standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### auditors' Responsibility

3. Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.

Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

### opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Report on other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the Order.



# TTK Prestige Limited

## Standalone Audit Report (Contd..)

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Standalone Ind AS financial statements Refer 5.10 in Notes to accounts.
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 5.3 in Notes to accounts;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **pKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration No.003990S/S200018*

**Seethalakshmi M**

Partner

Membership No. 208545

Place of Signature: Bangalore

Date: 21 May 2018

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**Referred to in paragraph 9 on 'Report on other Legal and Regulatory Requirements' 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) The Company has a program of verification of fixed assets to cover all the items in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. 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/conveyance 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 as at the balance sheet date except for land at Khardi plant carried in books at ₹ 2.48 crores acquired pursuant to a scheme of demerger for which transfer of title in the name of the company is under progress.

**Standalone Audit Report (Contd..)**

- (ii) The Company has conducted physical verification of inventories at reasonable intervals. Discrepancies noticed on such verification have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act.
- (iv) Based on our audit procedures & according to the information and explanation given to us, in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of the Act have been complied with.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of the Act and the rules made there under and hence clause (v) is not applicable.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii)
- (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other material statutory dues with the appropriate authorities. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other material statutory dues were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (b) Dues relating to Income tax / Sales tax / Service tax / Duty of customs / Duty of excise / Value added tax/Goods and Service tax, which have not been deposited on account of any dispute, are as given below:

<b>name of the Statute</b>	<b>amount under dispute not yet deposited (₹ in crores)</b>	<b>period to which the amount relates to</b>	<b>Forum where dispute is pending</b>
Income Tax	0.12	2011-12 to 2012-13	CIT (Appeals)
Income Tax	0.68	2009-10	Karnataka High Court
Karnataka VAT	2.20	1987-88 to 1989-90	Before VAT Assessing Officer
Jharkhand VAT	0.48	2011-12 to 2012-13	
Bihar VAT	0.24	2009-10, 2012-13	
West Bengal VAT	0.07	2013-14	
Odisha VAT	0.21	2012-13, 2014-15	Before VAT Assessing Officer
Odisha Entry tax	0.13	2014-15	Deputy Commissioner of Sales Tax, Cuttack
Service Tax	7.27	April 2010 to April 2016	CESTAT/ Commissioner of Central Excise
Excise duty	0.32	2012-13 to 2013-2014	CESTAT/ Commissioner of Central Excise

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting on defaults in repayment of loans under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

# TTK Prestige Limited

## Standalone Audit Report (Contd..)

- (xi) Based on our audit procedures and as per the information and explanations given to us, Managerial remuneration paid/provided during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, the provisions of clause (xii) of the Order are not applicable.
- (xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
- (xiv) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any preferential allotment/private placement of shares/ fully or partly convertible debentures during the year under review.
- (xv) Based on our audit procedures and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934.

For **pKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration No.003990S/S200018*

**Seethalakshmi M**

Partner

Membership No. 208545

Place of Signature: Bangalore

Date: 21 May 2018

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**Referred to in paragraph 10(f) on 'Report on other Legal and Regulatory Requirements' of our report of even date**

**Report on the Internal Financial Controls 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 TTK Prestige Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone INDAS 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.

### **auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

**Standalone Audit Report (Contd..)**

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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls 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.

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In our opinion, the Company has maintained, 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 March 31, 2018, 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 **pKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration No.003990S/S200018*

**Seethalakshmi M**

Partner

Membership No. 208545

Place of Signature: Bangalore

Date: 21 May 2018

# TTK Prestige Limited

## Standalone Balance Sheet as at 31st March 2018

(₹ In Crores)

Particulars	Note	As at 31st March 2018	As at 31st March 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3.1 A	357.33	369.09
Capital Work-in-Progress		4.33	1.53
Investment Property	3.1 B	-	23.75
Other Intangible assets	3.1 C	0.89	1.47
<b>Non-current financial assets</b>			
- Investments	3.2	110.01	97.11
Other Non-current Assets	3.3	14.66	13.70
<b>Current assets</b>			
Inventories	3.4	367.18	324.70
<b>Financial Assets</b>			
- Investments	3.5	166.94	74.77
- Trade Receivables	3.6	242.15	198.97
- Cash and Cash Equivalents	3.7	32.06	34.65
- Bank Balances other than above	3.7A	66.33	7.14
- Other Current Financial Assets	3.8	0.80	1.55
Current Tax Assets (Net)	3.9	0.11	0.11
Other Current Assets	3.9A	42.87	15.07
<b>Total Assets</b>		<b>1,405.66</b>	<b>1,163.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	3.10	11.56	11.66
Other Equity	3.11	994.09	845.44
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
Other Non-current Liabilities	3.12	-	5.00
Provisions	3.13	5.37	1.29
Deferred Tax Liabilities (Net)	3.14	40.98	38.01
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Trade Payables	3.15	225.14	145.41
- Other Financial Liabilities	3.16	90.46	80.90
Other Current Liabilities	3.17	21.66	21.30
Provisions	3.18	16.40	14.60
<b>Total Equity and Liabilities</b>		<b>1,405.66</b>	<b>1,163.61</b>

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

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

As per our report attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

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

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

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Arun K Thiagarajan**  
Director  
DIN No.: 00292757

**K.Shankaran**  
Director & Whole-time Secretary  
DIN No.: 00043205

**Place : Bangalore**  
**Date : 21st May 2018**

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

## Statement of Standalone Profit and Loss for the Year ended 31st March 201

(₹ In Crores)

Particulars	Note	For Year Ended 31 March 2018	For Year Ended 31 March 2017
Revenue from Operations	4.1	1,848.71	1,683.06
Less: Discount on Sales		102.26	79.42
<b>Net Revenue from Operations</b>		<b>1,746.45</b>	<b>1,603.64</b>
Other Income	4.2	13.71	6.74
<b>Total Income</b>		<b>1,760.16</b>	<b>1,610.38</b>
<b>Expenses</b>			
Cost of Materials Consumed		415.58	445.33
Purchase of Stock in Trade		609.00	514.49
Changes in Inventory of Finished Goods, Stock in trade and Work In Progress			
i) Work in Progress	4.3	(1.08)	(2.84)
ii) Finished Goods		17.05	0.85
iii) Stock in Trade		(35.95)	0.31
Employee Benefits Expense and Payment to Contractors	4.4	142.32	120.53
Finance Costs	4.5	1.74	5.13
Depreciation and Amortisation	3.1 A&3.1 C	25.14	25.30
Other Expenses	4.6	364.70	330.06
<b>Total Expenses</b>		<b>1,538.50</b>	<b>1,439.16</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>221.66</b>	<b>171.22</b>
- Exceptional items	4.7	128.96	1.77
<b>Profit/(Loss) before Tax</b>		<b>350.62</b>	<b>172.99</b>
<b>Tax Expense</b>			
Current Tax		90.78	52.97
Less: Reversal of Provisions relating to Previous Year/s		-	31.84
		<b>90.78</b>	<b>21.13</b>
Deferred Tax		2.97	8.86
<b>Profit/(Loss) from Continued Operation</b>		<b>256.87</b>	<b>143.00</b>
<b>Profit/(Loss) from Discontinued Operation</b>		-	-
Tax Expense of Discontinued Operations		-	-
<b>Profit/(Loss) from Discontinued Operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>256.87</b>	<b>143.00</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss</b>			
Remeasurements of Defined Benefit Plan Actuarial Gains/ (Losses)		0.34	(0.62)
Change in Fair Value of Equity Instruments designated irrevocably as FVTOCI		0.03	(0.02)
Income Tax Expense on above		(0.13)	0.21
		0.24	(0.43)
<b>Items that will be reclassified to Profit or Loss</b>		-	-
		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>0.24</b>	<b>(0.43)</b>
<b>Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)</b>		<b>257.11</b>	<b>142.57</b>



<b>Earnings per equity share</b>			
<b>(Face Value of ₹ 10 each)</b>			
(1) Basic (₹)		221.74	122.81
(2) Diluted (₹)		221.74	122.81

## Significant Accounting Policies and Notes on Accounts 2 to

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

*As per our report attached*

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

**Seethalakshmi M**

Partner

Membership No. 208545

**Place : Bangalore**

**Date : 21st May 2018**

*For and on behalf of the Board*

**T.T. Jagannathan**

Executive Chairman

DIN No.: 00191522

**Arun K Thiagarajan**

Director

DIN No.: 00292757

**V. Sundaresan**

Chief Financial Officer

PAN No.: AKEPS1782M

**Chandru Kalro**

Managing Director

DIN No.: 03474813

**K.Shankaran**

Director & Whole-time Secretary

DIN No.: 00043205

## Standalone Statement of Cash Flow for the year ended 31st March 2018

(₹ In Crores)

Particulars	For Year Ended 31 March 2018	For Year Ended 31 March 2017
<b>Cash flows from Operating Activities</b>		
Net Profit before tax	350.62	172.99
Adjustments:		
- Interest Income	(1.46)	(0.96)
- Loss/(Profit) on Sale of Fixed Assets	-	0.08
- OCI effects	0.24	(0.43)
- Dividend Income	(6.07)	(1.39)
- Income from Property Development	(128.96)	-
- Interest Expense	1.74	5.13
- Depreciation and Amortization	25.14	25.30
<b>Operating cash flow before working capital changes</b>	<b>241.25</b>	<b>200.72</b>
<b>Changes in</b>		
- Trade Receivables	(43.18)	(23.68)
- Loans and Advances and Other Current and Non-current Assets	(27.99)	15.20
- Inventories	(42.47)	1.50
- Liabilities and Provisions (Current and Non-current)	90.55	4.34
<b>Cash generated from Operations</b>	<b>218.16</b>	<b>198.08</b>
Income Taxes Paid	(90.78)	(33.61)
<b>Cash generated from / (used in) Operations [A]</b>	<b>127.38</b>	<b>164.47</b>
<b>Cash flows from Investing Activities</b>		
Purchase of Fixed Assets	(15.64)	(24.80)
Proceeds from Sale of Fixed Assets	-	0.12
(Investment in) / Sale of Subsidiaries, Associates and Joint Ventures	(12.90)	(96.97)
Investment in Mutual Funds/Term Deposits with Banks	(151.37)	(32.37)
Property Development	152.71	-
Interest Received	1.46	0.96
Dividends Received	6.07	1.39
<b>Net Cash generated from/(used in) Investing Activities [B]</b>	<b>(19.67)</b>	<b>(151.67)</b>
Cash Flows from Financing Activities		
Buy Back of Equity Shares	(70.84)	-
Dividend Paid (including Dividend Distribution Tax)	(37.72)	-
Interest Paid/Finance Cost	(1.74)	(5.13)
<b>Net Cash used in Financing Activities</b>	<b>(110.30)</b>	<b>(5.13)</b>
Increase in Cash and Cash Equivalents	(2.59)	7.67
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>34.65</b>	<b>26.87</b>
<b>Add: On Demerger</b>		<b>0.11</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>32.06</b>	<b>34.65</b>
<b>Components of Cash and Cash Equivalents (Refer note 3.7)</b>		
<b>Cash on hand</b>	0.05	0.06
Balances with Banks		
- In Current Accounts	32.01	34.59
<b>Total Cash and Cash Equivalents</b>	<b>32.06</b>	<b>34.65</b>

## Notes:

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

As per our report attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

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

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

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Arun K Thiagarajan**  
Director  
DIN No.: 00292757

**K.Shankaran**  
Director & Whole-time Secretary  
DIN No.: 00043205

**Place : Bangalore**  
**Date : 21st May 2018**

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



Particulars	Reserves and Surplus						Total	
	Securities Premium Reserve	General Reserve	Revaluation Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings		Other Items of OCI
Balance as at April 1, 2017	111.03	154.10	2.15	15.39	-	563.87	(1.10)	845.44
Current Year profits	-	-	-	-	-	256.87	-	256.87
Buy Back of shares	(70.74)	-	-	-	-	-	-	(70.74)
Dividends	-	-	-	-	-	(37.72)	-	(37.72)
Transfer from retained earnings	-	26.00	-	-	-	(26.00)	-	-
Fair Valuation of Equity Instruments through OCI	-	-	-	-	-	-	0.03	0.03
Actuarial Gain/Loss on Defined Benefit Plans	-	-	-	-	-	0.21	-	0.21
Reclass of Actuarial Gain/Loss	-	-	-	-	-	(0.41)	-	-
Transfer to Capital Redemption Reserve on Buyback of Shares	(0.10)	-	-	-	0.10	-	-	-
<b>Balance as at March 31, 2018</b>	<b>40.19</b>	<b>180.10</b>	<b>2.15</b>	<b>15.39</b>	<b>0.10</b>	<b>756.82</b>	<b>(0.66)</b>	<b>994.09</b>

Significant Accounting Policies and Notes on Accounts 2 to 5

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

As per our report attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

**Seethalakshmi M**

Partner

Membership No. 208545

For and on behalf of the Board

**T. T. Jagannathan**

Executive Chairman

DIN No.: 00191522

**Chandru Kalro**

Managing Director

DIN No.: 03474813

**Arun K Thiagarajan**

Director

DIN No.: 00292757

**K. Shankaran**

Director & Whole-time Secretary

DIN No.: 00043205

**V. Sundaresan**

Chief Financial Officer

PAN No.: AKEPS1782M

**Place : Bangalore**

**Date : 21st May 2018**

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### TTK PRESTIGE LIMITED Notes to Standalone Financial Statements for the year ended 31st March 2018

#### 1. Corporate information

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

The financial statements were approved by the Board of Directors and authorized for issue on 21<sup>st</sup> May 2018.

#### 2. Significant accounting policies

##### a. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2017 with effect from 1<sup>st</sup> April 2017.

##### b. Basis of preparation and presentation:

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

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

##### c. Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

**d. Use of Estimates and Judgments**

In the application of the Company's accounting policies, the Management of the Company are required to make judgments. The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

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

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

**e. Financial Instruments****1. Financial Assets - Investment in subsidiaries, associates and joint ventures:**

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

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

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

**Initial recognition:**

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

**Subsequent measurement:**

(i) Financial assets measured at amortized cost:

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

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

a) Trade receivable

b) Other financial assets

(ii) Financial asset at FVTOCI

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

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

(iii) Financial asset at FVTPL

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

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

Financial assets are derecognized when the contractual right to cash flows from the financial asset expires or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of Derecognition) and the consideration received (including any new asset obtained less any new liability Assumed) shall be recognized in



the statement of profit and loss (except for equity instruments designated as FVTOCI).

### 1 (c) Impairment of financial asset

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

#### (i) Trade receivable:

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rate reflecting future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

#### (ii) Other financial assets:

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

### 2. Financial liabilities:

Initial recognition and measurement

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

Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories at amortized cost at fair value through profit and loss

#### Derecognition of financial liabilities

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

### 3. Derivative financial instruments

Foreign exchange forward contracts and options are entered into by the Company to mitigate the risk of changes in foreign exchange

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

### 4. Offsetting of financial assets and liabilities:

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

### 5. Reclassification of financial asset

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

### f. Property, plant and equipment

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

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

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

The cost of replacing part of an item of property, plant and equipment is recognized in

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

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

- Plant and machinery – 5 to 20 years
- Electrical installations and equipment – 5 to 20 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

#### g. Intangible assets

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

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

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

expense on intangible assets with finite lives is recognized in the statement of profit and loss.

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

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

Software is amortized @ 20% on straight line basis.

#### h. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

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

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

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

### j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the date of inception was deemed to be 1 April 2015 in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standard.

#### *Company as a lessee*

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### k. Foreign Currency Transactions

- Initial Recognition

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

- Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or

other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

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

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

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

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

### m. Inventories

Inventories are valued at the lower of cost (computed on a Weighted Average basis) or net realizable value. Cost includes the cost of purchase including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts, rebates and benefits are deducted in determining the cost of purchase. Net realizable value represents the estimated selling price for the inventories less all estimated costs of completion and costs necessary to make the sale.

Finished goods and Work in Progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### n. Provisions

#### General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## Warranty provisions

Provisions for warranty-related costs are recognized when the goods are sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

**o. Revenue recognition**

- Revenue from Sale of goods:

Sales are stated at net of returns and sales tax. Sales Revenue is recognized when significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is measured at the fair value of the consideration received or receivable.

Schemes and discounts granted to customers, associated with primary sales are reduced from revenue.

Sales include excise duty wherever applicable but excludes GST and value added tax.

- Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. Interest arising on overdue bills is recognized on date of reliable measurement being the date of settlement.

- Dividend income

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

**p. Employee Benefits**

- Defined Contribution plan (Provident fund)

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions

at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognized as an expense in the Statement of Profit and Loss. The contributions as specified under the law are paid to respective Regional Provident fund commissioner.

- Defined Contribution plan (Superannuation)

The eligible employees of the Company are entitled to receive benefits under the superannuation scheme, a defined contribution plan, in which the Company makes annual contributions of a specified sum, which is recognized as an expense in the Statement of Profit and Loss. The Contributions are by way of annual premium payable in respect of a superannuation policy issued by the Life Insurance Corporation of India, which confers benefits to retired/resigned employees based on policy norms. No other liabilities are incurred by the Company in this regard.

- Defined Benefit plans (Gratuity) and compensated absences

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognized in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re measurement.



The Company presents the first two components of defined benefit costs in Statement Profit and Loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

The defined benefit obligation recognized in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

- **Compensated Absences**

The Company has a scheme for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation, carried out at the Balance sheet date.

- **Other Employee Benefits**

Other benefits, comprising of Leave Travel Allowances, are determined on an undiscounted basis and recognized based on the likely entitlement thereof.

- **Termination Benefits**

A liability for a termination benefit is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

### q. Taxes

- **Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the taxable income of the year. The tax rates and tax laws used for computation of current tax includes those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax is recognized in the statement of profit and loss except to the extent it relates to an item recognized directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

- **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and a liability in the financial statements and the corresponding tax base used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

- *Current and Deferred tax charge for the year*

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### r. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### s. Application of new and revised Ind AS

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendment to IND AS 7 is applicable to the company from April 1, 2017.

#### Changes in Accounting Standards:

Amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash

flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement, which have been addressed in the current financials and amendment to Ind AS 102 providing specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes, which does not have any impact to this company.

#### Changes in Accounting Standards that may affect the Company / Group after 31st March 2018

##### Ind AS 115 – Revenue from Customers

This standard combines, enhances and replaces specific guidance on recognising revenue with a single standard. It defines a new five-step model to recognise revenue from customer contracts.

The company has undertaken a review of the main types of commercial arrangements used with customers under this model and have tentatively concluded that the application of Ind AS 115 will not have a material impact on the results or the financial position.

A number of standards have been modified on miscellaneous points with effect from 1st April 2018. Such changes include principle for transfer of asset to, or from, Investment Property (Amendment to Ind AS 40), determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized (Amendment to Ind AS 21), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognize deferred tax asset (Amendment to Ind AS 12), permitting selection of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organizations (Amendment to Ind AS 28) and Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

None of these amendments are expected to have any material effect on the company's financial statements.

The effects identified are as follows:

- a) A small proportion of sales (~1%) recognised may be deferred to recognise warranty as a separate obligation. However, a material portion of the same is expected to be offset by the warranty cost provisions made under the earlier accounting guidance, thus not having any material impact to the results of the company.

This standard is mandatory for accounting periods beginning on or after 1st April 2018. The company is planning to apply the standard retrospectively wef 1st April 2018, utilizing the practical expedient to not restate contracts that begin and end within the same annual accounting period.



## 3.1 A - Property Plant and Equipments

(₹ in Crores)

Description	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical Installations	Tools Moulds and Dies	Total
<b>As at 1 April 2016</b>	36.31	135.02	128.96	8.63	2.95	4.02	24.97	7.35	348.21
Assets acquired pursuant to Demerger	2.48	16.77	19.29	0.07	-	0.03	2.38	-	41.02
Additions during the year	-	10.90	10.66	0.60	0.12	0.74	1.32	3.01	27.35
Adjustment during the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	(0.14)	-	(0.26)	(0.05)	-	-	(0.45)
<b>As at 31 March 2017</b>	38.79	162.69	158.77	9.30	2.81	4.74	28.67	10.36	416.13
Assets acquired pursuant to Demerger	-	-	(0.11)	-	-	-	-	0.11	-
Additions during the year	-	1.46	7.45	0.40	-	0.50	0.32	2.20	12.33
Adjustment during the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	(0.16)	(0.17)	(0.03)	-	-	-	(0.36)
<b>As at 31 March 2018</b>	38.79	164.15	165.95	9.53	2.78	5.24	28.99	12.67	428.10
<b>Depreciation and amortization</b>									
<b>As at 1 April 2016</b>		5.03	10.49	1.04	0.47	0.81	1.35	0.43	19.62
Asset Acquired pursuant to Demerger	-	0.67	2.20	0.02	-	0.01	0.72	-	3.62
Charge for the year	-	5.95	12.79	1.23	0.56	0.71	2.09	0.69	24.02
Adjustment for the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	(0.03)	-	(0.19)	-	-	-	(0.22)
Impairment Losses / Reversals	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2017</b>		11.65	25.45	2.29	0.84	1.53	4.16	1.12	47.04
Asset Acquired pursuant to Demerger	-	-	-	-	-	-	-	-	-
Charge for the year	-	6.09	12.70	1.23	0.52	0.60	2.03	0.90	24.07
Adjustment for the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	(0.15)	(0.17)	(0.02)	-	-	-	(0.34)
Impairment Losses / Reversals	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2018</b>		17.74	38.00	3.35	1.34	2.13	6.19	2.02	70.77
<b>Net Book Value</b>									
<b>As at 31 March 2018</b>	38.79	146.41	127.95	6.18	1.44	3.11	22.80	10.65	357.33
<b>As at 31 March 2017</b>	38.79	151.04	133.32	7.01	1.97	3.21	24.51	9.24	369.09

Note:

- a) Properties at Karjan Plant having carrying value of ₹175.99 Crores (PY ₹183.13 Crores) have been offered as security to Hongkong and Shanghai Banking Corporation against the guarantee issued by them in favour of TTK British Holdings Limited (100% subsidiary) in respect of their borrowings.
- b) The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition i.e. 1 April 2015 and hence the carrying amount (Net Block) as per previous GAAP on that date has been considered as gross block. (Refer Note Below for the Gross Block value and the accumulated depreciation for 1st April 2015 under previous GAAP).

Description	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical Installations	Tools Moulds and Dies	Total
<b>Gross Block</b>	36.31	151.89	170.62	12.46	4.55	8.37	28.84	10.03	423.07
<b>Accumulated Depreciation</b>	-	21.63	48.22	5.00	1.55	4.87	4.32	4.44	90.03
<b>Net Block treated as deemed cost</b>	36.31	130.26	122.40	7.46	3.00	3.50	24.52	5.59	333.04

**3.1 B Investment Property:**

Investment Property under development

Particulars	31-Mar-18
<b>As at 1 April 2016</b>	23.75
Additions during the year	-
Deletions during the year	-
<b>As at 31 March 2017</b>	23.75
Additions during the year	-
Deletions during the year	(23.75)
<b>As at 31 March 2018</b>	0.00

\* The investment property has been disposed off during the year 2017-18

**3.1 C - Other Intangible assets**

Description	Computer software
<b>As at 1 April 2016</b>	2.49
Assets acquired pursuant to Demerger	0.01
Additions during the year	1.35
Adjustment during the year	-
Deletions during the year	-
<b>As at 31 March 2017</b>	<b>3.85</b>
Assets acquired pursuant to Demerger	-
Additions during the year	0.50
Adjustment during the year	-
Deletions during the year	-
<b>As at 31 March 2018</b>	<b>4.35</b>
<b>Amortization and Impairment</b>	
<b>As at 1 April 2016</b>	1.10
Amortization	1.28
Impairment/ Reversals	
<b>As at 31 March 2017</b>	<b>2.38</b>
Amortization	1.07
Impairment/ Reversals	
<b>As at 31 March 2018</b>	<b>3.46</b>
<b>Net Book Value</b>	
<b>As at 31 March 2018</b>	<b>0.89</b>
<b>As at 31 March 2017</b>	<b>1.47</b>

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 3.2 Investment (Non Current)

(₹ in Crores)

Particulars	31-Mar-18	31-Mar-17
Investments in Equity Instruments		
(i) Subsidiary (Unquoted)		
TTK British Holdings Limited (1,03,00,000 Shares of GBP 1 each at Cost)	96.99	96.99
Share Application Money paid (Pending Allotment)	12.87	-
(ii) Other-Quoted		
-TTK Healthcare Limited (1440 Shares at Fair Value through OCI)	0.15	0.12
<b>Total</b>	<b>110.01</b>	<b>97.11</b>

#### Foot Note:

(i) Aggregate Amount of Quoted Investment

Particulars	31-Mar-18	31-Mar-17
-Cost	0.02	0.02
-Market Value	0.15	0.12

(ii) Aggregate Amount of Unquoted Investments is ₹109.86 Crores (Previous Year-₹ 96.99 Crores)

(iii) Aggregate Amount of Impairment in Value of investment-NIL

### 3.3 Other Non Current Assets

Particulars	31-Mar-18	31-Mar-17
Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	2.59	2.83
<b>Total</b>	<b>2.59</b>	<b>2.83</b>
Advances Other than Capital Advances		
Security Deposits	6.27	5.65
Unsecured, considered Good		
Unsecured Deposits	1.86	0.80
<b>Total</b>	<b>8.13</b>	<b>6.45</b>
Prepayments-Lease Rentals	2.26	2.29
Advance Income Tax Net of Provisions	1.68	2.13
<b>Total</b>	<b>3.94</b>	<b>4.42</b>
<b>Total</b>	<b>14.66</b>	<b>13.70</b>

Note: In respect of Other advances (Note: 3.9 A), a sum of ₹0.80 Crore due for repayment after 1 year which was wrongly included in current assets in the previous year (As at 31st March 2017 - ₹12.07 Crores) has been reclassified as Non-Current.

**3.4 Inventories**

Particulars	31-Mar-18	31-Mar-17
(a) Raw-Materials	89.07	67.41
(b) Work in Progress	15.92	14.84
(c) Finished Goods	98.27	115.32
(d) Stock in Trade	155.70	119.76
(e) Stores and Spares	8.22	7.37
<b>Total</b>	<b>367.18</b>	<b>324.70</b>

Note:

(i) During the year ended 31st March 2018, ₹2.97 Crores (Previous year : ₹3.66 Crores) was recognised as an expense for Inventories carried at Net Realisable value.

(ii) Mode of Valuation:

Inventories are valued at lower of cost, computed on a weighted average basis and estimated net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Finished Goods and Work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iii) Stock in Transit - NIL (Previous Year-NIL).

**3.5 - Investments**

Particulars	31-Mar-18	31-Mar-17
Quoted:		
Investment in Mutual Funds (At Fair Value)		
Baroda Pioneer Treasury Advantage Fund - 97,365.091 units (P.Y. 3,24,686.16 units)	10.04	33.41
ICICI Prudential Savings Fund - NIL units (P.Y. 20,91,616.89 units)	-	21.20
Reliance Medium Term Fund - 1,48,58,818.242 units (P.Y. 53,15,924.93 units)	25.42	9.08
Birla Sun Life Savings Fund - NIL units (P.Y. 3,99,782.12 units)	-	4.03
TATA Ultra Short Term Fund - NIL units (P.Y. 40,162.40 units)	-	4.03
IDFC Ultra Short Term Fund - NIL units (P.Y. 30,01,306.48 units)	-	3.02
DHFL Pramerica Low Duration Fund - 50,75,747.35 units (P.Y. NIL units)	5.09	-
Edelweiss Arbitrage Fund - Regular Plan - 2,06,61,858.33 units (P.Y. NIL units)	25.30	-
HDFC Prudence Fund - Regular Plan - 2,11,501.53 units (P.Y. NIL units)	10.25	-
IDFC Arbitrage Fund - Regular Plan - 1,18,68,638.64 units (P.Y. NIL units)	15.03	-
IDFC Arbitrage Fund - Direct Plan - 78,24,202.16 units (P.Y. NIL units)	10.19	-
Kotak Low Duration Fund - Regular Plan - 90,084.93 units (P.Y. NIL units)	9.16	-
L & T Floating Rate Fund - 5,19,64,607.35 units (P.Y. NIL units)	56.46	-
<b>Total -Aggregate Value of Quoted Investments</b>	<b>166.94</b>	<b>74.77</b>

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 3.6 - Trade Receivables

Particulars	31-Mar-18	31-Mar-17
From Related parties	1.69	0.04
Others	240.46	198.93
<b>Total Trade and Other Receivables</b>	<b>242.15</b>	<b>198.97</b>

	31-Mar-18	31-Mar-17
<b>Other Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	242.15	198.97
Doubtful	9.34	4.81
<b>Total</b>	<b>251.49</b>	<b>203.78</b>
Provision for Doubtful Receivables	(9.34)	(4.81)
<b>Total</b>	<b>242.15</b>	<b>198.97</b>
<b>Total Trade and Other Receivables</b>	<b>242.15</b>	<b>198.97</b>

#### Age of Receivables:

Particulars	31-Mar-18	31-Mar-17
Within the credit period	114.28	97.40
1-30 days past due	62.47	51.24
31-90 days past due	49.63	32.52
More than 90 days past due	25.11	22.62
<b>Total</b>	<b>251.49</b>	<b>203.78</b>

No Trade or Other Receivable are due from Directors or other Officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member

Movement in Provision for Doubtful Debts	2017-18	2016-17
Opening Balance	4.81	3.89
Charge for the year	4.57	1.14
Utilised	-	-
Unused amounts reversed	0.04	0.22
<b>Closing Balance</b>	<b>9.34</b>	<b>4.81</b>

**3.7 - Cash and cash equivalents**

Particulars	31-Mar-18	31-Mar-17
(A) Balances with banks:		
On current accounts	27.93	34.59
(B) Cheques on Hand	4.08	-
(C) Cash in Hand	0.05	0.06
<b>Total Cash and Cash Equivalents</b>	<b>32.06</b>	<b>34.65</b>

**3.7 A - Other balances with Banks**

Particulars	31-Mar-18	31-Mar-17
Earmarked Bank Balances		
i) Unpaid Dividend Bank Account	1.35	1.19
ii) Balance in Capital Gain Account scheme	-	3.40
iii) Term Deposits with Banks	64.21	0.71
iv) Bank Balances held as Margin Money	0.77	1.84
v) Other Commitments	-	-
<b>Total</b>	<b>66.33</b>	<b>7.14</b>

Note: In respect of other Balances with Banks, a sum of ₹0.71 Crore which was wrongly included in Cash and Cash Equivalents (Note 3.7) in the previous year (As at 31st March 2017-NIL) has been reclassified as Term Deposits with Banks.

**3.8 - Other Current Financial Assets**

Particulars	31-Mar-18	31-Mar-17
Others - Accrued Interest receivable on Deposits	0.80	1.55
<b>Total</b>	<b>0.80</b>	<b>1.55</b>

**3.9 - Current Tax Assets (Net)**

Particulars	31-Mar-18	31-Mar-17
Advance Fringe Benefits Taxes	0.11	0.11
<b>Total</b>	<b>0.11</b>	<b>0.11</b>

**3.9 A - Other Current Assets**

Particulars	31-Mar-18	31-Mar-17
Advance to Employees Unsecured, considered good	0.19	0.23
Other Advances Unsecured, considered good	16.10	11.26
Prepaid Expenses	1.16	1.62
Prepayment-Lease Rentals	0.03	0.03
Balances With Excise and Sales Tax Authorities	0.02	1.93
GST Receivables(Net)	25.37	-
<b>Total</b>	<b>42.87</b>	<b>15.07</b>

Refer Note on Other Non Current Assets ( Note 3.3) above.



**3.10 - Equity Share Capital**

Particulars	31-Mar-18	31-Mar-17
Authorised Share Capital		
1,50,00,000 Equity shares of ₹10 each with voting rights	15.00	15.00
<b>Total</b>	<b>15.00</b>	<b>15.00</b>
<b>Issued and Subscribed Share Capital:</b>		
1,16,78,469 Equity shares of 10 each (Previous Year 1,16,78,469 Equity Shares of Rs 10/- each) (Refer Note 2 below)	11.68	11.68
<b>Paid Up Share Capital</b>		
1,15,51,169 Equity Shares of ₹10 each (Previous Year 1,16,51,169 Equity Shares of Rs 10/- each)	11.55	11.65
Add : 27,300 Equity Shares Forfeited (₹ 5/- paid-up)	0.01	0.01
<b>Total</b>	<b>11.56</b>	<b>11.66</b>

1. Paid Up Share Capital of 1,15,51,169 shares (Previous Year : 1,16,51,169 shares) includes 78,69,064 shares of ₹ 10 each allotted as Bonus Shares fully paid-up by capitalisation of reserves and 20106 shares issued to shareholders of M/s.Prestige Housewares India Limited(PHIL) consequent to merger of PHIL with TTK Prestige Limited. This also includes 9979 shares of ₹10 each issued to shareholders of Triveni Blaletti Industries Private Limited as per the demerger scheme approved by the Honorable High Courts of Madras and Bombay.
2. During the year the Company completed Buy back of 1,00,000 Equity shares @ ₹7000 per share aggregating to ₹70 crores. The Excess amount over Face value of these shares along with expenses relating to Buy back have been debited to Securities Premium Reserve in accordance with the provisions of the Companies Act and the necessary transfer to Capital Redemption Reserve has been made.

**3.10 a. Movement in respect of Equity Shares is given below :**

Particulars	31-Mar-18		31-Mar-17	
	Nos.	Amount in ₹	Nos.	Amount in ₹
At the beginning of the period	1,16,51,169	11.65	1,16,41,190	11.64
(+) Issued during the period	-	-	9,979	0.01
(-) Buyback during the period*	1,00,000	0.10	-	-
<b>Outstanding at the end of the period</b>	<b>1,15,51,169</b>	<b>11.55</b>	<b>1,16,51,169</b>	<b>11.65</b>

\* The above represents 1,00,000 shares bought back as per the Buy back programme.

**3.10 b. Details of Shareholders holding more than 5% shares in the Company**

Particulars	31-Mar-18		31-Mar-17	
	Nos.	% of Holding	Nos.	% of Holding
T.T. Krishnamachari & Co. represented by its partners	69,70,334	60.34%	69,88,747	59.98%
Axis Asset Management Company Limited	8,06,902	6.99%	5,75,036	4.94%
<b>Total</b>	<b>77,77,236</b>	<b>67.33%</b>	<b>75,63,783</b>	<b>64.92%</b>

**3.10c Details of Dividend declared and paid**

During the year, Dividend of ₹. 37.72 Crores including Dividend Distribution Tax of ₹ 6.38 Crores (₹ 27/-per Share) pertaining to the year 2016-17 was paid.

## 3.11- Other Equity

(₹ in Crores)

Particulars	31-Mar-18	31-Mar-17
Security Premium Reserve	40.19	111.03
General Reserve	180.10	154.10
Revaluation Reserve	2.15	2.15
Capital Reserve	15.39	15.39
Capital Redemption Reserve	0.10	-
Retained Earnings	756.82	563.87
Other Items of OCI	(0.66)	(1.10)
<b>Total</b>	<b>994.09</b>	<b>845.44</b>

## 3.12 - Other Non Current Financial Liabilities

Particulars	31-Mar-18	31-Mar-17
Unsecured		
From Others-Deposit from Joint Development	-	5.00
<b>Total</b>	<b>-</b>	<b>5.00</b>

Note: Refer Note 3.1 B on Investment Property

## 3.13 - Long Term Provisions

Particulars	31-Mar-18	31-Mar-17
Provision for Employee Benefits :-		
Compensated Absence Liabilities (Refer Note 5.14)	4.84	-
Gratuity Liabilities (Refer Note 5.14)	0.53	1.29
<b>Total</b>	<b>5.37</b>	<b>1.29</b>

## 3.14 - Deferred Tax Asset(s)/ (Liabilities)

## Components of Deferred Tax Assets and Liabilities

Particulars	31-Mar-18	31-Mar-17
<b>A. Deferred Tax Liabilities</b>		
Timing Difference on Fixed Assets Depreciation between Companies Act and IT Act	41.50	38.99
<b>Total (A)</b>	<b>41.50</b>	<b>38.99</b>
<b>B. Deferred Tax Assets</b>		
Provision for Gratuity	-	-
Provision for Leave Encashment	-	-
VRS	(0.52)	(0.98)
<b>Total (B)</b>	<b>(0.52)</b>	<b>(0.98)</b>
<b>Net Deferred Tax Liabilities</b>	<b>40.98</b>	<b>38.01</b>

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 3.14 - Deferred Tax Asset(s)/ (Liabilities)

(₹ in Crores)

#### Reconciliation of Deferred Tax Liabilities/ Asset(s)- net

Particulars	31-Mar-18	31-Mar-17
Opening Balance	38.01	29.15
Tax Income/(Expense) during the period recognised in Profit or Loss	2.97	8.86
Tax income/(Expense) during the period recognised in OCI	-	-
<b>Closing Balance</b>	<b>40.98</b>	<b>38.01</b>

### 3.15 - Trade Payables - Current

Particulars	31-Mar-18	31-Mar-17
Micro and Small Enterprises	42.75	45.05
Other Payables	180.99	99.26
Related Parties	1.40	1.10
<b>Total</b>	<b>225.14</b>	<b>145.41</b>

### 3.16 - Other Financial Liabilities - Current

Particulars	31-Mar-18	31-Mar-17
Employee Related Liabilities	1.63	1.40
Employee Bonus and Incentives	25.64	18.53
Creditors for Capital Goods and Services	0.70	0.51
Unclaimed Dividend	1.35	1.19
Provision for Expenses	61.14	59.27
<b>Total</b>	<b>90.46</b>	<b>80.90</b>

Note: In respect of Other Financial Liabilities-Current, a sum of ₹0.65 Crore (net) which was wrongly included in Other Current Liabilities (Note: 3.18) in the previous year (As at 31st March 2017- ₹ 58.07 Crores) has now been reclassified under Provision for Expenses.

### 3.17- Other Current Liabilities

Particulars	31-Mar-18	31-Mar-17
Statutory Liabilities -Taxes Payable	3.05	8.33
Advance Collected from Customers	18.47	11.05
Provision for Scheme in Kind	0.14	1.92
<b>Total</b>	<b>21.66</b>	<b>21.30</b>

Refer note 3.16 above

## 3.18 -Provisions

(₹ in Crores)

Particulars	31-Mar-18	31-Mar-17
Provision for Employee Benefits :- (Refer note 5.14)		
Gratuity Provisions	-	0.29
Other Provisions :- (Refer foot note below)		
Provision for Derivative Liability	-	0.02
Provision for EPCG Liability	10.93	10.21
Provision for Warranty	5.47	4.08
<b>Total</b>	<b>16.40</b>	<b>14.60</b>

## Foot Notes:

Particulars	Year	Opening Balance	Additions	Amount Used/Reversed	Closing Balance
Provision for Derivative Liability	2017-18	0.02	(0.02)	-	0.00
	2016-17	-	0.02	-	0.02
Provision for EPCG Liability	2017-18	10.21	0.72	-	10.93
	2016-17	0.73	9.48	-	10.21
Provision for Warranty	2017-18	4.08	1.39	-	5.47
	2016-17	2.71	4.86	3.49	4.08

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 4.1 - Revenue From Operations

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Revenue from Operations:		
Sale of Products (Including Excise Duty CY ₹6.47 Crores, (PY ₹36.36 Crores)	1,839.98	1,675.51
Sale of Scrap	8.73	7.55
<b>Total</b>	<b>1,848.71</b>	<b>1,683.06</b>

\*Excise Duty was applicable only up to 30th June 2017.

### 4.2 - Other Income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Income from Bank Deposits etc.	1.46	0.96
Dividend Income from Mutual Funds	6.07	1.39
Exchange Gain /( Loss )	0.64	0.20
Bad Debts Recovered	0.04	0.22
Commission receipts	2.75	1.51
Other Miscellaneous Income	2.11	1.69
Advance Payment Discount Reversal	0.64	0.77
<b>Total</b>	<b>13.71</b>	<b>6.74</b>

### 4.3 - Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening Balance		
(a) Work in Progress	14.84	12.00
(b) Finished Goods	115.32	116.17
(c) Stock in Trade	119.75	120.06
<b>Total Opening Balance</b>	<b>249.91</b>	<b>248.23</b>
Closing Balance		
(a) Work in Progress	15.92	14.84
(b) Finished Goods	98.27	115.32
(c) Stock in Trade	155.70	119.75
<b>Total Closing Balance</b>	<b>269.89</b>	<b>249.91</b>
<b>Total Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods</b>	<b>(19.98)</b>	<b>(1.68)</b>

## 4.4 - Employee benefits expense and payment to contractor

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, Wages, Bonus etc.	126.53	104.81
Company's Contribution to Provident and Other Funds	5.15	5.53
Staff Welfare Expenses	10.64	10.19
<b>Total</b>	<b>142.32</b>	<b>120.53</b>

## 4.5 - Finance Cost

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Costs	0.03	3.23
Interest on Dealer deposits	0.73	0.74
Bank Guarantee charges related to Subsidiary borrowings	0.84	0.89
Consortium charges	0.14	0.27
<b>Total</b>	<b>1.74</b>	<b>5.13</b>



# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 4.6 - Other Expenses

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
<b>I. Operating expenses consists of the following :</b>		
Fuel, power and light	17.17	16.99
Repairs to buildings	2.66	2.01
Repairs to machinery	2.91	2.68
Repairs to others	6.03	5.90
Sales Promotion Expenses	35.02	34.13
Sundry Manufacturing Expenses	4.75	5.02
<b>II. General expenses consists of the following :</b>		
Consumption-Stores and Spares	7.44	7.56
Rent	6.39	6.62
Motor Vehicle Expenses	0.93	0.92
Bank Charges	3.18	3.42
Rates and taxes	0.99	1.18
Carriage Outwards	82.10	70.19
Insurance	1.33	1.52
Advertising and publicity	107.81	88.87
Printing and stationery	1.06	1.07
Passage and travelling	12.67	11.98
Provision for doubtful debts (Refer Note 3.6)	4.57	1.14
Professional fees	3.13	3.51
(Profit)/Loss on Sale of Fixed Assets	-	0.08
Expenditure on Corporate Social Responsibility (Refer Note 5.11)	3.33	2.88
Distribution Expenses	30.48	33.01
Miscellaneous Expenses	18.22	17.48
Communication charges	2.40	2.50
Service Centre Expenses	8.03	7.50
Payment made to Auditors (Refer foot note below)	0.71	0.74
Directors' fees	0.19	0.11
Non Executive Director Commission	1.20	1.05
<b>Total</b>	<b>364.70</b>	<b>330.06</b>

Note: (₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(aa) Payments to the Auditor as		
(a) Auditor		
(i) for Statutory Audit Fees	0.35	0.37
(ii) for Taxation Matters	-	0.12
(iii) for Other Services	0.02	0.07
(iv) for Reimbursement of Expenses	0.01	0.01
(b) Cost Audit Fees	0.03	0.03
(c) Internal Audit Fees	0.20	0.14
(d) Tax Audit Fees	0.10	-
<b>Total</b>	<b>0.71</b>	<b>0.74</b>

#### 4.7-Exceptional Items

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Ex-gratia payments to retired employess/VRS Compensation		(2.38)
Adjustment for liabilities on takeover of Kitchen Appliances division of TBI	-	4.15
Profit on Sale of Investment Property	128.96	-
<b>Total</b>	<b>128.96</b>	<b>1.77</b>

#### Notes:

The Company has dealt with its entire rights accruing under the Development agreement relating to the property at Dooravani Nagar, Bengaluru. The Gross revenue accrual was ₹ 163.00 Crores and the net income after accounting for expenses and book value of the assets was ₹ 128.96 Crores.

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 5.1 Critical judgements in applying accounting policies & Key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accounting disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying number of assets or liabilities affected in future periods.

#### Critical Judgements in applying accounting policies:

- (i) **Lease classification** The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- (i) Useful life of Property, Plant & Equipment (PPE)  
The Company reviews the estimated useful lives of PPE at the end of each reporting period
- (ii) Defined benefit plans Defined Benefit Obligations (DBO))  
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

### 5.2 Financial risk management objectives and policies: The Company is exposed primarily to fluctuations in credit, liquidity and interest rate risks and

foreign currency exchange rates, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### Price Risk

The Company is not exposed to any price risk that could adversely affect the value of the Company's financial assets or expected future cash flows.

#### Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollars against the functional currency of the Company.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The Company imports raw materials and finished goods from outside India as well as makes export sales to countries outside the territories in which they operate from. The Company is, therefore, exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against foreign currency vendor payables.

The Company's outstanding foreign currency exposure is as follows:

Particulars	Liabilities as at		Assets as at	
	31 Mar'18	31 Mar'17	31 Mar'18	31 Mar'17
USD	0.02	0.03	0.08	0.16
EURO	0.02	0.00	0.01	0.02

**Foreign currency sensitivity analysis**

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(₹. In Crores)

<b>USD sensitivity at year end</b>	<b>31 Mar'18</b>	<b>31 Mar'17</b>
<b>Receivables:</b>		
Weakening of INR by 5%	0.27	0.53
Strengthening of INR by 5%	(0.27)	(0.53)
<b>Payables:</b>		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-

**Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of credit risk principally consist of investments classified as loans and receivables, trade receivables, loans and advances, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 508.8 Crores, and ₹ 317.02 Crores as of March 31, 2018, March 31, 2017 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity and preference investments.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2018 and March 31, 2017.

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents, financial assets carried at fair value and interest-bearing deposits with corporate are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits placed with corporates, which have high credit-rating assigned by international and domestic credit-rating agencies.

Financial assets carried at fair value substantially include investment in liquid mutual fund units. With respect to

Trade receivables and other financial assets that are past due but not impaired, there were no indications as of March 31, 2018, that defaults in payment obligations will occur except as described in note 3.6 on allowances for impairment of trade receivables. The Company does not hold any collateral for trade receivables and other financial assets. Trade receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. At 31 March 2018, the Company had 3 Customers (31 March 2017: 2 customers) that owed the Company more than 5% of the Total receivables, which accounted for approximately 27.27% (31 March 2017: 11%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. The cash surpluses of the company are short term in nature and are invested in Liquid Debt Mutual funds. Hence the assessed credit risk is low.

**Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments and financial assets based on contractual undiscounted receipts:

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(₹ in Crores)

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 3 years	> 3 years	Total
	INR	INR	INR	INR	INR	
Trade and Other Payables	-	225.14	-	-	-	225.14
Other Financial Liabilities	-	-	-	-	-	-
Employee Related Liabilities	1.63	-	-	-	-	1.63
Employee Bonus and Incentives	-	17.95	7.69	-	-	25.64
Creditors for Capital Goods and Services	-	0.70	-	-	-	0.70
Unclaimed Dividend	1.35	-	-	-	-	1.35
Provision for Expenses	-	61.14	-	-	-	61.14
	<b>2.98</b>	<b>304.93</b>	<b>7.69</b>	-	-	<b>315.60</b>
<b>Year ended 31 March 2017</b>						
Trade and Other Payables	-	145.41	-	-	-	145.41
Other Financial Liabilities	-	-	-	-	-	-
Employee Related Liabilities	1.40	-	-	-	-	1.40
Employee Bonus and Incentives	-	-	18.53	-	-	18.53
Creditors for Capital Goods and Services	-	0.51	-	-	-	0.51
Unclaimed Dividend	1.19	-	-	-	-	1.19
Provision for Expenses	-	59.27	-	-	-	59.27
	<b>2.59</b>	<b>205.19</b>	<b>18.53</b>	-	-	<b>226.31</b>

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 3 years	> 3 years	Total
	INR	INR	INR	INR	INR	
Investment in Mutual Funds	-	50.56	116.38	-	-	166.94
Bank Deposits	1.35	1.27	63.71	-	-	66.33
Trade Receivables	-	242.15	-	-	-	242.15
Other Financial Assets	-	0.80	-	-	-	0.80
	<b>1.35</b>	<b>294.78</b>	<b>180.09</b>	<b>0.00</b>	<b>0.00</b>	<b>476.22</b>
<b>Year ended 31 March 2017</b>						
Investment in Mutual Funds	-	74.77	-	-	-	74.77
Bank Deposits	5.41	0.76	0.97	-	-	7.14
Trade Receivables	-	198.97	-	-	-	198.97
Other Financial Assets	-	1.55	-	-	-	1.55
	<b>5.41</b>	<b>276.05</b>	<b>0.97</b>	<b>0.00</b>	<b>0.00</b>	<b>282.43</b>

The Company has access to committed credit facilities as described below, of which ₹110.00 Crores were unused at the end of the reporting period (as at March 31, 2017 ₹90.00 Crores). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Funded Limit: ₹110.00 Crores (PY ₹90.00 Crores)

Non Funded Limit: ₹60.00 Crores (PY ₹60.00 Crores)

**5.3 Financial Instruments**

## a. Derivative financial instruments

For the Company:

Particulars	Currency	As at	As at
		March 31, 2018	March 31, 2017
Forward contracts (Buy)	USD	0.02	0.03
Gain/(Loss) mark to market in respect of forward contracts outstanding	Rupees	0.00	0.02

## (i) Forward contract

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables denominated in certain foreign currencies. The details of outstanding forward contracts as at March 31, 2018 and March 31, 2017 are given below:

It is the policy of the Company to enter into forward exchange contracts to cover specific foreign currency payments (100% of the exposure).

The Company recognized a net loss on the forward contracts of ₹0.20 Crore for the year ended March 31, 2018 (Previous year ₹0.04 Crore).

All open forward exchange contracts mature within three months from the balance sheet date.

## ii. Cross Currency Swap: None

## iii. Interest rate swap: None

## b. Financial assets and liabilities

The carrying value of financial instruments (other than investment in subsidiary) by categories as of March 31, 2018 is as follows: :

Fair Value Measurement:				(₹ In Crores)
March 31, 2018	FVPL	FVOCI	Amortized Cost	Total carrying value
<b>Financial assets:</b>				
Trade Receivables	-	-	242.15	242.15
Investments	166.94	0.15	-	167.09
Bank Balances	-	-	66.33	66.33
Other Financial Assets	-	-	0.80	0.80
<b>Total</b>	<b>166.94</b>	<b>0.15</b>	<b>309.28</b>	<b>476.37</b>
<b>Financial liabilities:</b>				
Creditors	-	-	225.14	225.14
Forward Contracts	0.00	-	-	0.00
Other Financial Liabilities	-	-	90.46	90.46
<b>Total</b>	<b>0.00</b>	<b>-</b>	<b>315.60</b>	<b>315.60</b>



# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(₹ in Crores)

March 31, 2017	FVPL	FVOCI	Amortized Cost	Total carrying value
<b>Financial Assets:</b>				
Trade Receivables	-	-	198.97	198.97
Investments	74.77	0.12	-	74.89
Bank Balances	-	-	7.14	7.14
Other Financial Assets*	-	-	1.55	1.55
<b>Total</b>	<b>74.77</b>	<b>0.12</b>	<b>207.66</b>	<b>282.55</b>
<b>Financial Liabilities:</b>				
Creditors	-	-	145.41	145.41
Forward Contracts	0.02	-	-	0.02
Other Financial Liabilities	-	-	80.90	80.90
<b>Total</b>	<b>0.02</b>	<b>-</b>	<b>226.31</b>	<b>226.33</b>

### Fair Value Hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

a) Fair value of the Company's financial assets that are measured at fair value on a recurring basis

March 31, 2018	Level-1	Level-2	Level-3	Total Carrying Value
<b>Financial Assets:</b>				
Investments	167.09	-	-	167.09
<b>Total</b>	<b>167.09</b>	<b>-</b>	<b>-</b>	<b>167.09</b>
<b>Financial Liabilities:</b>				
<b>Forward Contracts</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>
<b>March 31, 2017</b>	<b>Level-1</b>	<b>Level-2</b>	<b>Level-3</b>	<b>Total Carrying Value</b>
<b>Financial Assets:</b>				
Investments	74.89	-	-	<b>74.89</b>
<b>Total</b>	<b>74.89</b>	<b>-</b>	<b>-</b>	<b>74.89</b>
<b>Financial Liabilities:</b>				
<b>Forward Contracts</b>	<b>-</b>	<b>0.02</b>	<b>-</b>	<b>0.02</b>

(₹ in Crores)

- b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required) Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a) above approximate their fair values. Interest income/ (expense), gain/ (losses) recognized on financial assets and liabilities

	Year ended Mar 31, 2018	Year ended Mar 31, 2017
<b>(a) Financial assets at amortized cost</b>		
Interest income on bank deposits	0.74	0.63
interest income on other financial asset	0.72	0.33
Impairment on trade receivables	-	-
<b>(b) Financial asset at FVTPL</b>		
Dividend Income on Mutual Funds	6.07	1.39
<b>(c) Financial asset at FVTOCI</b>		
Change in fair value of equity instruments designated irrevocably as FVTOCI	0.03	(0.02)
<b>(d) Financial liabilities at amortized cost</b>		
Interest expenses on borrowings from banks, others and overdrafts	0.03	3.23
<b>(e) Financial liability at FVTPL</b>		
Net gain/(losses) on fair valuation of forward contracts	(0.20)	(0.04)

**Capital Management:**

The Company's capital comprises of equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2018 is ₹11.56 crores (Previous Year: ₹ 11.66 crores).

**Gearing Ratio**

The Company does not have any borrowings as at March 31, 2018 and March 31, 2017.

**Interest rate risk management:**

The Company does not have any borrowings as at March 31, 2018 and March 31, 2017 and hence it is not exposed to any interest rate risk.

5.3 A. The company operates under one segment of Kitchen & Home appliances. Hence Segment reporting is not applicable.

Information about major customers:

Company's significant revenues (more than 5%) are derived from sales to one Customer. The total sales to such Customers amounted to ₹ 122.75 crores in 2017-18 and ₹ 104.01 crores in 2016-17.

No single customer contributed 10% or more to the company's revenue for 2017-18 and 2016-17.

Revenue from Major products:

Refer note 5.7

Information about geographical area

The company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
India	1,711.07	1,560.54
Outside India	35.38	43.10
<b>Total</b>	<b>1,746.45</b>	<b>1,603.64</b>

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(₹ in Crores)

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
India	377.21	408.73
Outside India	-	-
<b>Total</b>	<b>377.21</b>	<b>408.73</b>

### 5.4 Related Party Transactions

The following tables provide details about the nature of relationship and total amount of transactions that have been entered into with related parties for the relevant financial year.

Description of relationship	Company
Wholly Owned Subsidiaries	TTK British Holdings Limited
	Horwood Homewares Holdings Limited
	Horwood Homewares Limited
Enterprises over which Key Managerial Personnel (KMP) having significant control	TTK Healthcare Limited
	TTK Protective Devices Limited
	TT Krishnamachari & Co
	TTK Services (P) Limited
Directors	Mr. T.T. Jagannathan (KMP)
	Mr. Chandru Kalro (KMP)
	Mr. K. Shankaran (KMP)
	Mr.R.Srinivasan
	Dr.(Mrs.) Vandana Walvekar
	Mr.Dileep Kumar Krishnaswamy
	Mr.Arun.K.Thiagarajan
	Mr.Murali Neelakantan
	Mr.T.T.Raghunathan
	Mr. T.T.Mukund
Other Key Managerial Personnel	Mr. V Sundaresan

**Notes to Standalone Financial Statements for the year ended 31st March 2018**

(a) Summary of the transactions with the above related parties:

(₹ in Crores)

Particulars	Subsidiaries		Enterprises over which KMP having significant contro		Key Management Personnel and relatives	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sales	1.05	0.23	0.44	0.35	-	-
Purchases	-	-	0.04	0.13	-	-
Commission and Sitting fees to Non-Executive Directors	-	-	-	-	1.39	1.16
Remuneration	-	-	-	-	18.71	13.34
Investment in Equity	12.87	96.99	-	-	-	-
Others : Expenses/(Income)	(1.40)	-	22.81	24.78	0.05	0.33

**(b) Balances Outstanding**

Particulars	Subsidiaries		Enterprises over which KMP having significant contro		Key Management Personnel and relatives	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Amount due to the Company against supplies	-	-	0.30	0.04	-	-
Amount Owed by Company against Purchases	-	-	0.00	0.01	-	-
Other Current Liabilities	1.40	-	1.40	1.37	16.84	11.44

**(c)\*Related Parties with whom Transactions have taken place during the year**

Entity	Nature of Business	Nature of Relationship	2017-18		2016-17	
			Expenses	Income	Expenses	Income
TTK HEALTHCARE LTD	SALES	OTHER RELATED PARTY	-	0.44		0.35
	PURCHASES	OTHER RELATED PARTY	0.04	-	0.13	-
	OTHER EXPENSES	OTHER RELATED PARTY	0.00	-	0.00	-
TTK PROTECTIVE DEVICES LTD	TRAVEL EXPENSES (GUEST HOUSE STAY)	OTHER RELATED PARTY	0.00	-	0.02	-
	T.T.KRISHNAMACHARI & CO.,	OTHER RELATED PARTY	0.05	-	0.07	-
T.T.KRISHNAMACHARI & CO.,	PROFESSIONAL CHARGES	OTHER RELATED PARTY	0.00	-	0.00	-
	TELEPHONE CHGS	OTHER RELATED PARTY	0.00	-	0.00	-
	RENT PAID	OTHER RELATED PARTY	0.02	-	0.02	-
	C & F CHGS	OTHER RELATED PARTY	14.05	-	16.17	-
	LICENCE FEE ON LOGO	OTHER RELATED PARTY	8.67	-	8.82	-
	ELECTRICITY CHGS	OTHER RELATED PARTY	0.00	-	-	-
	MAINTENANCE CHARGES	OTHER RELATED PARTY	-	0.00	0.00	0.00
	OTHER EXPENSES	OTHER RELATED PARTY	-	-	-	0.29
	STAMP DUTY	OTHER RELATED PARTY	-	-	-	0.03
	HORWOOD HOMEWARES LTD	SALES	SUBSIDIARIES	-	1.05	-
TTK BRITISH HOLDINGS LTD	INVESTMENT IN EQUITY	SUBSIDIARIES	12.87	-	96.99	-
	OTHER INCOME		-	1.40	-	-

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(₹ in Crores)

Entity	Nature of Business	Nature of Relationship	2017-18		2016-17	
			Expenses	Income	Expenses	Income
Mr. T.T.JAGANNATHAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	10.87	-	8.66	-
Mr.K. SHANKARAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	3.49	-	1.83	-
Mr.M.CHANDRU KALRO	REMUNERATION	KEY MANAGEMENT PERSONNEL	3.44	-	2.04	-
Mr.V.SUNDARESAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	0.91	-	0.82	-
Mr. R.SRINIVASAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.22	-	0.16	-
Mr.MURALI NEELAKANTAN	PROFESSIONAL CHARGES	OTHER RELATED PARTY	0.02	-	0.30	-
	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.20	-	0.16	-
	TRAVEL EXPENSES	OTHER RELATED PARTY	0.03	-	0.03	-
Mr. T.T.RAGHUNATHAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.18	-	0.15	-
Mr. T.T.MUKUND	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.19	-	0.16	-
Mr.ARUN.K.THIAAGARAJAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.20	-	0.17	-
Mr. DILEEP KUMAR KRISHNASWAMY	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.22	-	0.18	-
Mrs.VANDANA WALVEKAR	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.19	-	0.16	-

### (d) Closing balance of Related parties

	As on 31st March 2018		As on 31st March 2017	
	Payables	Receivables	Payables	Receivables
T.T.KRISHNAMACHARI & CO.,	1.40	-	1.36	-
TTK HEALTHCARE LTD	-	0.29	-	0.04
TTK PROTECTIVE DEVICES LTD	-	-	0.01	-
Mr. T.T.JAGANNATHAN	9.67	-	7.48	-
Mr.K. SHANKARAN	3.07	-	1.42	-
Mr.M.CHANDRU KALRO	2.90	-	1.50	-
Mr. T.T.RAGHUNATHAN	0.17	-	0.15	-
Mr. T.T.MUKUND	0.17	-	0.15	-
Mr.Murali NEELAKANTAN	0.17	-	0.15	-
Mrs.VANDANA WALVEKAR	0.17	-	0.15	-
Mr. DILEEP KUMAR KRISHNASWAMY	0.17	-	0.15	-
Mr.ARUN.K.THIAAGARAJAN	0.17	-	0.15	-

Note: All amounts mentioned above are excluding GST.

- Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for guarantees given on behalf of the subsidiaries details of which is provided in Note no.5.10 below. For the year

## Notes to Standalone Financial Statements for the year ended 31st March 2018

ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- Compensation of key management personnel of the Company

(₹ in Crores)

Particulars	31-Mar-18	31-Mar-17
Short-term Employee Benefits	18.29	12.92
Post-employment Gratuity and Medical Benefits	0.20	0.21
Termination Benefits	0.22	0.21
Share-based Payment Transactions	-	-
<b>Total Compensation paid to Key Management Personnel</b>	<b>18.71</b>	<b>13.34</b>

## 5.5 Break-up of Major Raw Materials Consumed-Manufactured Goods:

Particulars	Amount
<b>Raw Materials Consumption</b>	
Aluminum	136.28
	(114.10)
Steel	34.53
	(21.28)
Components, Packing Material etc.	238.30
	(273.59)
Excise Duty related to Sales	6.47
	(36.36)
<b>Total</b>	<b>415.58</b>
	<b>(445.33)</b>

## 5.6 Break-up of Purchases of Stock-in-Trade:

Particulars	Amount
<b>Goods Purchased</b>	
Cookware	24.17
	(11.52)
Gas Stove	157.96
	(147.75)
Kitchen & Home Appliances	382.96
	(297.86)
Others	43.91
	(57.36)
<b>Total</b>	<b>609.00</b>
	<b>(514.49)</b>



# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 5.7 Break-up of Sales, Closing and Opening Value of Inventories

(₹ in Crores)

Particulars	Sales Values	Closing Inventory	Opening Inventory
<b>Manufactured Goods</b>			
Pressure Cookers	627.72	53.50	57.30
	(595.45)	(57.30)	(56.93)
Cookware	264.42	42.66	47.70
	(254.48)	(47.70)	(43.84)
Gas Stove	0.00	0.30	0.00
	0.00	(0.00)	(0.02)
Kitchen/Home Appliances	36.18	1.81	10.32
	(74.66)	(10.32)	(15.38)
<b>Total</b>	<b>928.32</b>	<b>98.27</b>	<b>115.32</b>
	<b>(924.59)</b>	<b>(115.32)</b>	<b>(116.17)</b>
<b>Traded Goods</b>	<b>Sales Values</b>	<b>Closing Inventory</b>	<b>Opening Inventory</b>
Cookware	35.85	16.48	5.29
	(25.86)	(5.29)	(9.84)
Gas Stove	269.04	25.81	20.65
	(230.77)	(20.65)	(18.43)
Kitchen/Home Appliances	555.97	76.18	58.41
	(442.62)	(58.41)	(59.01)
Others	50.80	37.23	35.41
	(51.67)	(35.41)	(32.79)
<b>Total</b>	<b>911.66</b>	<b>155.70</b>	<b>119.76</b>
	<b>(750.92)</b>	<b>(119.76)</b>	<b>(120.07)</b>
<b>Grand Total</b>	<b>1,839.98</b>	<b>253.97</b>	<b>235.08</b>
	<b>(1,675.51)</b>	<b>(235.08)</b>	<b>(236.24)</b>

### 5.8 Imported & Indigenous Raw Materials, Components & Spares Consumed:

Particulars	2017-18		2016-17	
	Value	%	Value	%
Imported & Indigenous Raw Materials, Components & Spares Consumed :				
Imported	43.96	10.58	38.04	8.54
Indigenous	371.62	89.42	407.29	91.46
<b>Total</b>	<b>415.58</b>	<b>100.00</b>	<b>445.33</b>	<b>100.00</b>

## 5.9 Earnings per Share:

(₹ in Crores)

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Profit after tax as per Profit & Loss a/c before extraordinary items (net of tax)	256.87	143.00
Weighted Average number of Equity Shares used as Denominator for calculating EPS	1,15,84,502	1,16,43,869
Earnings Per Share of Rs. 10/- each :		
Basic EPS (Rs.)	221.74	122.81
Diluted EPS (Rs.)	221.74	122.81

Reconciliation of equity shares in computing weighted average number of equity shares

	Year ended Mar 31, 2018	Year ended Mar 31, 2017
a) Weighted average number of shares – Basic		
Issued fully paid up as at Apr 1,	11,651,169	11,641,190
Effect of shares issued on exercise of stock option	-	-
Effect of shares issued / (buy back) during the year	(66,667)	2,679
Weighted average number of equity shares outstanding	11,584,502	11,643,869
b) Weighted average number of shares – diluted		
Issued fully paid up as at Apr 1,	11,651,169	11,641,190
Effect of shares issued during the year	(66,667)	2,679
Dilutive impact of associated stock options	-	-
Weighted average number of equity shares for diluted earnings per share outstanding	11,584,502	11,643,869

## 5.10 Legal proceedings/Contingent Liabilities/Contingent Assets

Particulars	As at 31st March 2018	As at 31st March 2017
A) Contingent Liabilities		
(a) Guarantees /LC*	141.57	133.31
(b) Tax matters under appeal (IT/ST/ED etc.)	11.72	8.40
B) Commitments	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	16.30	8.18

\*₹129.20 Crores (Previous Year-113.23 Crores) relates to guarantees to banks against credit facilities extended to TTK British Holdings Limited (100% Subsidiary).

**Contingent Asset:**

Fringe Benefit Tax (till the time of abolition) was paid under protest, since the matter is pending before The Honorable Supreme Court of India. In case of favorable decision, the company would be entitled to seek refund of the same. Amount: ₹1.97 Crores (Previous Year: ₹ 1.97 Crores)

# TTK Prestige Limited

## Notes to Standalone Financial Statements for the year ended 31st March 2018

### 5.11 Corporate Social Responsibility

(₹ in Crores)

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under, the company has spent an amount of ₹3.33 Crores (₹ 2.88 Crores for 2016-2017) towards contribution to Corpus of CSR Projects as below:

Year	Amount to be Contributed as prescribed under Section 135 of the Companies Act 2013	Amount actually Contributed	Deficit (if any)
2017-18	3.23	3.33	
2016-17	3.04	2.88	0.16

### 5.12 R&D

The R & D facility of the Company has been recognized by the Ministry of Science & Technology, Government of India, U/s 35(2AB) of the Income Tax Act, dated 18th February, 2014 As required under this approval, expenditure in connection with R & D center is disclosed as follows

Sl. No	Nature of Expenditure	2017-18	2016-17
i.	Capital Expenditure	0.66	1.13
ii.	Revenue Expenditure	2.84	2.15

### 5.13 Disclosure pursuant to SEBI (Listing Obligation and Disclosure Requirements) regulations 2015:\*

There were no Loan amounts dues from Subsidiaries\Associates or Firms \Companies in which the Directors are Interested :-

\* Excludes Current account transaction

\* Converted at closing rate.

## 5.14 Employee benefit

(₹ in Crores)

	GRATUITY		COMPENSATED ABSENCES	
	Year ended Mar 31, 2018	Year ended Mar 31, 2017	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Reconciliation of opening and closing balances at the present value of the defined benefit obligation (gratuity)				
Projected benefit obligation at the beginning of the year	15.42	13.51	3.46	3.19
Service cost	1.05	0.91	0.42	0.64
Interest cost	1.17	1.08	0.26	0.26
Remeasurement gain/(loss)	-	-	-	-
Change in Demographic Assumptions	0.00	0.00	0.00	0.00
Change in Financial Assumptions	(0.25)	0.47	(0.10)	0.11
Experience Variance	(0.07)	0.16	(0.01)	(0.64)
Past Service Costs	0.00	0.00	4.64	0.00
Benefits paid	(0.40)	(0.70)	(0.01)	(0.10)
Projected benefit obligation at the end of the year	16.92	15.42	8.66	3.46
Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	13.83	11.53	3.50	2.96
Interest income	1.05	0.92	0.27	0.24
Employers contribution	1.90	2.08	0.09	0.39
Benefits paid	(0.40)	(0.70)	(0.01)	(0.10)
Return on plan assets, excluding amounts recognized in net interest expense	0.02	0.00	(0.01)	0.01
Fair value of plan assets at the end of the year	16.39	13.83	3.82	3.50
Amount recognized in balance sheet				
Present value of projected benefit obligation at the end of the year	16.92	15.42	8.66	3.46
Fair value of plan assets at the end of year	16.39	13.83	3.82	3.50
Funded status amount of liability recognized in balance sheet	0.53	1.59	4.84	0.00
Expense recognized in statement of profit or loss				
Service cost	1.05	0.91	0.42	0.64
Past Service Cost	0.00	0.00	4.64	0.00
Interest cost	0.12	0.16	0.00	0.02
Interest income	0.00	0.00	0.00	0.00
Net cost	1.17	1.06	5.05	0.66
Actual return on plan asset				
Summary of actuarial assumptions				
Discount rate	7.80%	7.60%	7.80%	7.60%
Salary escalation rate	6.00%	6.00%	6.00%	6.00%

Discount rate - Based on prevailing market yields of Indian government securities as at the balance sheet date for estimated term of obligations.

Expected rate of return on plan assets - Expectation of the average long term rate of return expected on investment of the funds during the estimated terms of the obligations.

Salary escalation rate - Estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors.

### Contributions:

(₹ in Crores)

The Company's expected cash flows over the next few years are as follows:

Year	Gratuity	Compensated Absences
1 year	3.09	3.32
2 to 5 years	6.54	3.07
6 to 10 years	6.62	2.47
more than 10 years	19.03	6.60

Gratuity plan's weighted average asset allocation at Mar 31 2018 and 2017 by asset category are as follows:

Fund managed by insurers	100%	100%
--------------------------	------	------

Remeasurement of the net defined benefit liability recognized in other comprehensive income

Remeasurement gain/(loss) arising from		
Change in demographic assumption	0.00	0.00
Change in financial assumptions	(0.25)	(0.10)
Experience variance	(0.07)	0.01
Return on plan assets, excluding amount recognized in net interest expense/income	0.02	(0.01)

Sensitivity analysis of significant actuarial assumption

	Gratuity				Compensated Absences			
	31-Mar-18		31-Mar-17		31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	15.75	18.26	14.29	16.71	8.21	9.17	3.19	3.78
Salary growth rate (-/+ 1%)	18.27	15.72	16.72	14.26	9.17	8.22	3.78	3.18

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**5.15 Reconciliation of Effective Tax Rates**

(₹ in Crores)

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarized below:

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Profit before taxes (Before Property Income)	221.66	172.99
Enacted tax rates in India	34.61%	34.61%
Expected tax expense/(benefit)	76.71	59.87
Effect of		
Tax Holiday benefit under Sec 80 (IC) for Roorkee Unit	(2.76)	(4.87)
Tax Benefit on research and development expenses	(0.83)	(1.53)
Exempt income from mutual fund investments	(2.10)	(0.37)
CSR expenses ( To the extent of amount disallowed)	0.59	0.37
Provision for EPCG Liability	0.25	3.28
Recognition of deferred tax assets arising on Demerger	0.00	5.08
Tax Benefit on employment of Additional manpower under Sec 80 JJAA	(0.04)	0.00
Reversal of provision pertaining to previous year	0.00	(31.84)
More DTL Provision due to change in tax rates	0.40	0.00
Tax on Capital Gains	21.26	
Other Disallowances	0.28	0.00
Income Tax expense charged to P&L for the year	93.75	29.99
Income Tax expense charged to Other Comprehensive Income for the year	0.13	(0.21)
Total Income Tax expense for the year	93.88	29.78
Comprising:		
Current Tax	90.91	20.92
Deferred Tax	2.97	8.86

**5.16 Trade Payables-Micro and Small Enterprises:**

Based on data received from Vendors, the amount due to MSMED is ascertained as ₹ 42.75 Crores (PY: ₹45.05 Crores). There are no over dues.

**5.17. Certain figures apparently do not add up because of rounding off, but are wholly accurate in themselves.**

5.18. The Board of Directors of the Company have proposed a dividend @ ₹30/- per share amounting to ₹41.78 Crores including Dividend Distribution Tax of ₹7.12 Crores at this meeting, subject to the approval of the shareholders at the Annual General Meeting.

As per our report attached  
 For **PKF Sridhar & Santhanam LLP**  
 Chartered Accountants  
 Firm's Registration Number : 003990S/S200018

**Seethalakshmi M**  
 Partner  
 Membership No. 208545

**Place : Bengaluru**  
**Date : 21<sup>st</sup> May 2018**

For and on behalf of the board

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

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

**Arun K Thiagarajan**  
 Director  
 DIN No.: 00292757

**K.Shankaran**  
 Director & Whole-time Secretary  
 DIN No.: 00043205

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



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TTK PRESTIGE LIMITED.

#### Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying Consolidated Ind AS Financial Statements of TTK PRESTIGE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group" comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, and the Consolidated statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows of the Group and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.
7. We believe that the audit evidence obtained by us and the management certified financial statements of the subsidiary referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2018, and their consolidated profit (including other comprehensive income) and their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

## Consolidated Audit Report (Contd..)

## Other Matters

- (a) We did not audit the financial statements of 3 subsidiaries (TTK British Holdings Limited, Horwood Homewares Holdings Limited and Horwood Homewares Limited), whose financial statements reflect total assets of Rs.144.71 crores as at 31st March, 2018, total revenues of Rs.125.95 crores, total net profit of Rs. 6.79 crores and total comprehensive income of Rs 17.67 crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2018 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 Group excluding companies incorporated outside India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report on Consolidated Ind AS Financial Statements in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 5.10 to the Consolidated Ind AS Financial Statements.
    - (ii) Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts – Refer (a) Note 5.3 to the Consolidated Ind AS Financial Statements.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

**Seethalakshmi M**

Partner

Membership No. 208545

Place of Signature: Bangalore

Date: 21 May 2018



# TTK Prestige Limited

## Consolidated Audit Report (Contd..)

### ANNEXURE A

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the group as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of TTK Prestige Limited (hereinafter referred to as "the Holding Company"). The subsidiaries of TTK Prestige Limited are incorporated outside India.

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

The respective Board of Directors of the Holding company, are 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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, the Holding 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 March 31, 2018, 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* **PKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration No.003990S/S200018*

**Seethalakshmi M**

Partner

Membership No. 208545

Place of Signature: Bangalore

Date: 21 May 2018

# TTK Prestige Limited

## Consolidated Balance Sheet as at 31st March 2018

(₹ in Crores)

Particulars	Note	As at 31st March 2018	As at 31st March 2017
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3.1 A	358.74	370.19
Capital Work-in-Progress		4.33	1.53
Investment Property	3.1 B	-	23.75
Goodwill	3.1 C	130.33	114.22
Other Intangible Assets	3.1 D	0.89	1.47
Non-current Financial Assets			
- Investments	3.2	0.15	0.12
Other Non-current Assets	3.3	27.56	22.74
<b>Current Assets</b>			
Inventories	3.4	437.19	379.89
Financial Assets			
- Investments	3.5	166.94	74.77
- Trade Receivables	3.6	258.29	215.30
- Cash and Cash Equivalents	3.7	69.19	58.15
- Bank Balances other than above	3.7A	66.33	7.14
- Other Current Financial Assets	3.8	0.80	1.55
Current Tax Assets (Net)	3.9	0.57	0.11
Other Current Assets	3.9A	47.97	18.31
<b>Total Assets</b>		<b>1,569.28</b>	<b>1,289.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	3.10	11.56	11.66
Other Equity	3.11	1,008.12	841.96
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
- Borrowings	3.12	92.29	113.23
Other Non-current Liabilities	3.13	-	5.00
Provisions	3.14	5.37	1.29
Deferred Tax Liabilities (Net)	3.15	41.65	35.37
<b>Current liabilities</b>			
Financial Liabilities			
- Borrowings	3.12	36.91	-
- Trade Payables	3.16	238.41	156.22
- Other Financial Liabilities	3.17	90.46	80.90
Other Current Liabilities	3.18	28.11	27.77
Provisions	3.19	16.40	14.60
Current Tax Liabilities (Net)	3.20	-	1.24
<b>Total Equity and Liabilities</b>		<b>1,569.28</b>	<b>1,289.24</b>

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

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

As per our report attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

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

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

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Arun K Thiagarajan**  
Director  
DIN No.: 00292757

**K.Shankaran**  
Director & Whole-time Secretary  
DIN No.: 00043205

**Place : Bangalore**  
**Date : 21st May 2018**

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

## Statement of Consolidated Profit and Loss for the Year ended 31st March 201

(₹ in Crores)

Particulars	Note	For Year Ended 31 March 2018	For Year Ended 31 March 2017
Revenue from Operations	4.1	1,981.64	1,837.01
Less: Discount on Sales		110.29	91.87
<b>Net Revenue from Operations</b>		<b>1,871.35</b>	<b>1,745.14</b>
Other Income	4.2	12.43	6.74
<b>Total Income</b>		<b>1,883.78</b>	<b>1,751.88</b>
<b>Expenses</b>			
Cost of Materials Consumed		415.58	445.33
Purchase of Stock in Trade		701.33	589.61
Changes in Inventory of Finished Goods, Stock in trade and Work in Progress			
i) Work in Progress	4.3	(1.08)	(2.84)
ii) Finished Goods		17.05	0.85
iii) Stock in Trade		(50.77)	9.90
Employee Benefits Expense and Payment to Contractors	4.4	158.64	137.71
Finance Costs	4.5	4.09	7.58
Depreciation and Amortisation	3.1 A & 3.1 D	25.61	25.73
Other Expenses	4.6	383.16	350.08
<b>Total Expenses</b>		<b>1,653.61</b>	<b>1,563.95</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>230.17</b>	<b>187.93</b>
- Exceptional Items	4.7	128.96	(4.07)
<b>Profit/(Loss) before Tax</b>		<b>359.13</b>	<b>183.86</b>
<b>Tax Expense</b>			
Current Tax		92.67	56.19
Less: Reversal of Provisions relating to Previous Year/s		-	31.84
Deferred Tax		92.67	24.35
		2.97	8.86
<b>Profit/(Loss) from Continued Operation</b>		<b>263.49</b>	<b>150.65</b>
<b>Profit/(Loss) from Discontinued Operation</b>		-	-
Tax Expense of Discontinued Operations		-	-
<b>Profit/(Loss) from Discontinued Operations (After Tax)</b>		-	-
<b>Profit/(Loss) for the Year</b>		<b>263.49</b>	<b>150.65</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss</b>			
Remeasurements of Defined Benefit Plan Actuarial Gains/ (Losses)		0.34	(0.62)
Change in Fair Value of Equity Instruments designated irrevocably as FVTOCI		0.03	(0.02)
Income Tax Expense on above		(0.13)	0.21
		<b>0.24</b>	<b>(0.43)</b>
<b>Items that will be reclassified to Profit or Loss</b>			
Exchange Fluctuation on Translation		13.60	(13.92)
Income Tax Expense on above		(2.71)	2.78
<b>Total Other Comprehensive Income for the Year</b>		<b>10.89</b>	<b>(11.14)</b>
<b>Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the Year)</b>		<b>274.62</b>	<b>139.08</b>



(₹ in Crores)

<b>Earnings per equity share</b>			
<b>(Face Value of Rs. 10 each)</b>			
(1) Basic (₹)		227.46	129.38
(2) Diluted(₹)		227.46	129.38

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

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

*As per our report attached*

**For PKF Sridhar & Santhanam LLP**

*Chartered Accountants*

*Firm's Registration Number : 003990S/S200018*

**Seethalakshmi M**

Partner

Membership No. 208545

**Place : Bangalore**

**Date : 21st May 2018**

*For and on behalf of the Board*

**T.T. Jagannathan**

*Executive Chairman*

DIN No.: 00191522

**Chandru Kalro**

*Managing Director*

DIN No.: 03474813

**Arun K Thiagarajan**

*Director*

DIN No.: 00292757

**K.Shankaran**

*Director & Whole-time Secretary*

DIN No.: 00043205

**V. Sundaresan**

*Chief Financial Officer*

PAN No.: AKEPS1782M

## Consolidated Statement of Cash Flow for the year ended 31st March 2018

(₹ in Crores)

Particulars	For Year Ended 31 March 2018	For Year Ended 31 March 2017
Cash flows from Operating Activities		
Net Profit before Tax	359.13	183.86
Adjustments:		
- Interest Income	(1.58)	(0.96)
- Loss/(Profit) on Sale of Fixed Assets	-	0.08
- OCI Effects	14.43	(14.21)
- Dividend Income	(6.07)	(1.39)
- Income from Property Development	(128.96)	-
- Interest Expense	4.09	7.58
- Depreciation and Amortization	25.61	25.73
<b>Operating cash flow before working capital changes</b>	<b>266.65</b>	<b>200.69</b>
Changes in		
- Trade Receivables	(42.99)	(40.01)
- Loans and Advances and other Current and Non-current Assets	(54.61)	31.61
- Inventories	(57.31)	(84.20)
- Liabilities and Provisions (Current and Non-current)	107.71	23.07
<b>Cash generated from Operations</b>	<b>219.45</b>	<b>131.16</b>
Income taxes Paid	(92.67)	(37.04)
<b>Cash generated from / (used in) Operations [A]</b>	<b>126.78</b>	<b>94.12</b>
Cash flows from Investing Activities		
Purchase of Fixed Assets	(12.07)	(26.33)
Proceeds from Sale of Fixed Assets	-	0.12
(Investment in) / Sale of Subsidiaries, Associates and Joint Ventures	(0.03)	(114.22)
Investment in Mutual Funds/Term Deposits with Banks	(151.35)	(30.52)
Property Development	152.71	-
Interest Received	1.58	0.96
Dividends Received	6.07	1.39
<b>Net Cash generated from/(used in) Investing Activities [B]</b>	<b>(3.09)</b>	<b>(168.60)</b>
Cash flows from Financing Activities		
Buyback of Equity Shares	(70.84)	-
Proceeds from / (repayment of) Long Term and Short Term Borrowings	-	113.23
Preference Dividend Paid (including Dividend Distribution Tax)	(37.72)	-
Interest Paid/Finance Cost	(4.09)	(7.58)
<b>Net cash used in Financing Activities</b>	<b>(112.65)</b>	<b>105.65</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>11.04</b>	<b>31.17</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>58.15</b>	<b>26.87</b>
<b>Add: On Demerger</b>		0.11
<b>Cash and Cash Equivalents at the end of the year</b>	<b>69.19</b>	<b>58.15</b>
<b>Components of Cash and Cash Equivalents (Refer note 3.7)</b>		
Cash on Hand	0.05	0.08
Balances with Banks		
- In Current Accounts	69.14	58.07
<b>Total Cash and Cash Equivalents</b>	<b>69.19</b>	<b>58.15</b>

<b>Financial liabilities</b>				
<b>Net Debt Reconciliation</b>				
	<b>31-Mar-18</b>			
Current borrowings including interest	(37.55)			
Non-current borrowings	(92.29)			
<b>Net Debt</b>	<b>(129.84)</b>			
	Liabilities from financing activities			
	<b>Non-current borrowings</b>	<b>Current borrowings</b>	<b>Interest accrued but not due</b>	<b>Total</b>
<b>Net Debt as at 1 April 2017</b>	(113.23)	-	(0.52)	(113.75)
Cash Flows	1.70	-	0.52	2.22
Acquisitions - Finance leases	-	-	-	-
Foreign exchange adjustments	(15.97)	-	-	(15.97)
Interest expense	(1.70)	-	(0.64)	(2.34)
Other non-cash movements				
-Acquisitions/Disposals	36.91	(36.91)	-	-
-Fair value adjustments	-	-	-	-
<b>Net Debt as at 31 March 2018</b>	<b>(92.29)</b>	<b>(36.91)</b>	<b>(0.64)</b>	<b>(129.84)</b>
<b>Note:</b>				
Prepared under Indirect Method.				
As per our report attached For <b>PKF Sridhar &amp; Santhanam LLP</b> Chartered Accountants Firm's Registration Number : 003990S/S200018		For and on behalf of the Board		
<b>Seethalakshmi M</b> Partner Membership No. 208545	<b>T.T. Jagannathan</b> Executive Chairman DIN No.: 00191522	<b>Chandru Kalro</b> Managing Director DIN No.: 03474813		
	<b>Arun K Thiagarajan</b> Director DIN No.: 00292757	<b>K.Shankaran</b> Director & Whole-time Secretary DIN No.: 00043205		
<b>Place : Bangalore</b> <b>Date : 21st May 2018</b>	<b>V. Sundaresan</b> Chief Financial Officer PAN No.: AKEPS1782M			



Particulars	Reserves and Surplus					Other Comprehensive Income		Total	
	Securities Premium Reserve	General Reserve	Revaluation Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings	Exchange Difference on translating Financial Statements of a foreign operation		Other Items of OCI
Balance as at April 1, 2017	111.03	154.10	2.15	15.39	-	571.52	(11.13)	(1.10)	841.96
Current Year profits	(70.74)	-	-	-	-	263.49	-	-	192.75
Exchange (Loss)/Gain on Translation	-	-	-	-	-	-	10.89	-	10.89
Dividends	-	-	-	-	-	(37.72)	-	-	(37.72)
Transfer from retained earnings	-	26.00	-	-	-	(26.00)	-	-	-
Fair Valuation of Equity Instruments through OCI	-	-	-	-	-	-	-	0.03	0.03
Actuarial Gain/Loss on Defined Benefit Plans	-	-	-	-	-	0.21	-	-	0.21
Reclass of Actuarial Gain/Loss	-	-	-	-	-	(0.41)	-	0.41	-
Transferred to Capital Redemption Reserve on Buyback of Shares	(0.10)	-	-	-	0.10	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>40.19</b>	<b>180.10</b>	<b>2.15</b>	<b>15.39</b>	<b>0.10</b>	<b>771.09</b>	<b>(0.24)</b>	<b>(0.66)</b>	<b>1,008.12</b>

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

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

As per our report attached

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration Number : 003990S/S200018

For and on behalf of the Board

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

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

**Seethalakshmi M**  
Partner

Membership No. 208545

**Arun K Thiagarajan**  
Director  
DIN No.: 00292757

**K.Shankaran**  
Director & Whole-time Secretary  
DIN No.: 00043205

**Place : Bangalore**  
**Date : 21st May 2018**

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

**1. Corporate information**

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

The financial statements were approved by the Board of Directors and authorized for issue on 21st May 2018.

**2. Significant accounting policies**

**a. Statement of Compliance:** The financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from 1st April 2016.

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

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

**c. Principles of Consolidation and Equity Accounting:** Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also

eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group. Non-Controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively

**Subsidiaries:**

Name of the Company	Percentage of Holding
TTK BRITISH HOLDINGS LIMITED	100%
HORWOOD HOMEWARES HOLDINGS LTD.	100%
HORWOOD HOMEWARES LIMITED	100%

**d. Other Significant Accounting Policies:**

These are set out under "Significant Accounting Policies" as given in the Group's Consolidated financial statements except for

**Foreign Currency Translations:** Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (INR), which is the parent's functional and presentation currency.

The results and financial position of each of the group entities whose functional currency is different from the parent's functional currency is translated using the following procedures:

- Assets and liabilities for each balance sheet presented translated at the closing rate at the date of that balance sheet.
- Income and expenses presented in statement of profit and loss translated at monthly average exchange rate and
- All resulting exchange differences recognized in other comprehensive income.

**Goodwill:** Goodwill on acquisition of Subsidiaries is included in Intangible assets. Goodwill is not amortized but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest levels at which goodwill is monitored for internal management purposes, which in our case are the operating segments.



(₹ in Crores)

Notes forming part of Consolidated Financial statements

3.1 A - Property Plant and Equipments

Description	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Offic equipment	Electrical Installations	Tools Moulds and Dies	Total
<b>As at 1 April 2016</b>	36.31	135.02	128.96	8.63	2.95	4.02	24.97	7.35	348.21
Assets acquired pursuant to Demerger	2.48	16.77	19.29	0.07	-	0.03	2.38	-	41.02
Assets on Acquisition	-	-	-	11.06	-	-	-	-	11.06
Additions during the year	-	10.90	10.66	0.82	0.12	0.74	1.32	3.01	27.57
Deletions during the year	-	-	-	-	-	-	-	-	-
Adjustment during the year	-	-	(0.14)	-	(0.26)	(0.05)	-	-	(0.45)
Deletions during the year	-	-	-	(1.82)	-	-	-	-	(1.82)
Translation Difference	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2017</b>	38.79	162.69	158.77	18.76	2.81	4.74	28.67	10.36	425.59
Assets acquired pursuant to Demerger	-	-	(0.11)	-	-	-	-	0.11	-
Assets on Acquisition	-	1.46	7.45	1.08	-	0.50	0.32	2.20	13.01
Additions during the year	-	-	-	-	-	-	-	-	-
Adjustment during the year	-	-	(0.15)	(0.17)	(0.03)	-	-	-	(0.35)
Deletions during the year	-	-	-	1.66	-	-	-	-	1.66
Adjustment during the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	-	-	-
Translation Difference	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2018</b>	38.79	164.15	165.96	21.33	2.78	5.24	28.99	12.67	439.91
<b>Depreciation and amortization</b>									
<b>As at 1 April 2016</b>		5.03	10.49	1.04	0.47	0.81	1.35	0.43	19.62
Assets acquired pursuant to Demerger	-	0.67	2.20	0.02	-	0.01	0.72	-	3.62
Assets on Acquisition	-	-	-	9.79	-	-	-	-	9.79
Charge for the year	-	5.95	12.79	1.66	0.56	0.71	2.09	0.69	24.45
Adjustment during the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	(0.03)	-	(0.19)	-	-	-	(0.22)
Adjustment during the year	-	-	-	-	-	-	-	-	-
Impairment Losses / Reversals	-	-	-	-	-	-	-	-	-
Translation Difference	-	-	-	(1.86)	-	-	-	-	(1.86)
<b>As at 31 March 2017</b>		11.65	25.45	10.65	0.84	1.53	4.16	1.12	55.40
Assets acquired pursuant to Demerger	-	-	-	-	-	-	-	-	-
Assets on Acquisition	-	6.09	12.65	1.75	0.52	0.60	2.03	0.90	24.54
Charge for the year	-	-	-	-	-	-	-	-	-
Adjustment during the year	-	-	(0.15)	(0.49)	(0.02)	-	-	-	(0.66)
Deletions during the year	-	-	-	1.89	-	-	-	-	1.89
Adjustment during the year	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	-	-	-
Translation Difference	-	-	-	-	-	-	-	-	-
Impairment Losses / Reversals	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2018</b>		17.74	37.95	13.80	1.34	2.13	6.19	2.02	81.17
<b>Net Book Value</b>									
<b>As at 31 March 2018</b>	<b>38.79</b>	<b>146.41</b>	<b>128.01</b>	<b>7.53</b>	<b>1.44</b>	<b>3.11</b>	<b>22.80</b>	<b>10.65</b>	<b>358.74</b>
<b>As at 31 March 2017</b>	<b>38.79</b>	<b>151.04</b>	<b>133.32</b>	<b>8.11</b>	<b>1.97</b>	<b>3.21</b>	<b>24.51</b>	<b>9.24</b>	<b>370.19</b>

Note:

- Properties at Karjan Plant having carrying value of ₹175.99 Crores (PY ₹183.13) Crores have been offered as security to Hongkong and Shanghai Banking Corporation against the guarantee issued by them in favour of TTK British Holdings Limited (100% subsidiary) in respect of their borrowings.
- The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition i.e. 1 April 2015 and hence the carrying amount (Net Block) as per previous GAAP on that date has been considered as gross block. (Refer Note Below for the Gross Block value and the accumulated depreciation for 1st April 2015 under previous GAAP).

Description	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Offic equipment	Electrical Installations	Tools Moulds and Dies	Total
<b>Gross Block</b>	36.31	151.89	170.62	12.46	4.55	8.37	28.84	10.03	423.07
<b>Accumulated Depreciation</b>	-	21.63	48.22	5.00	1.55	4.87	4.32	4.44	90.03
<b>Net Block treated as deemed cost</b>	<b>36.31</b>	<b>130.26</b>	<b>122.40</b>	<b>7.46</b>	<b>3.00</b>	<b>3.50</b>	<b>24.52</b>	<b>5.59</b>	<b>333.04</b>



**3.1 B Investment Property:**

Investment Property under development

Particulars	31-Mar-18
<b>As at 1 April 2016</b>	23.75
Additions during the year	-
Deletions during the year	-
<b>As at 31 March 2017</b>	23.75
Additions during the year	-
Deletions during the year	(23.75)
<b>As at 31 March 2018</b>	0.00

\*The Investment property has been disposed off during the year 2017-18

**3.1 C - Other Intangible assets**

Description	Goodwill
<b>As at 1 April 2016</b>	-
Assets acquired pursuant to Demerger	-
Additions during the year	114.22
Adjustment during the year	-
Deletions during the year	-
<b>As at 31 March 2017</b>	114.22
Assets acquired pursuant to Demerger	-
Additions during the year	16.11
Adjustment during the year	-
Deletions during the year	-
<b>As at 31 March 2018</b>	130.33
<b>Amortization and Impairment</b>	
<b>As at 1 April 2016</b>	-
Amortization	-
Impairment/ Reversals	-
<b>As at 31 March 2017</b>	-
Amortization	-
Impairment/ Reversals	-
<b>As at 31 March 2018</b>	-
<b>Net Book Value</b>	
<b>As at 31 March 2018</b>	130.33
<b>As at 31 March 2017</b>	114.22

**3.1 D - Other Intangible Assets**

Description	Computer software
As at 1 April 2016	2.49
Assets acquired pursuant to Demerger	0.01
Additions during the year	1.35
Adjustment during the year	-
Deletions during the year	-
As at 31 March 2017	3.85
Assets acquired pursuant to Demerger	-
Additions during the year	0.50
Adjustment during the year	-
Deletions during the year	-
As at 31 March 2018	4.35
<b>Amortization and Impairment</b>	
As at 1 April 2016	1.10
Amortization	1.28
Impairment/ Reversals	
As at 31 March 2017	2.38
Amortization	1.08
Impairment/ Reversals	
As at 31 March 2018	3.46
<b>Net Book Value</b>	
<b>As at 31 March 2018</b>	<b>0.89</b>
<b>As at 31 March 2017</b>	<b>1.47</b>

**3.2 Investment ( Non Current)**

Particulars	31-Mar-18	31-Mar-17
Investments in Equity Instruments		
(i) Other-Quoted		
-TTK Healthcare Limited (At Fair Value)	0.15	0.12
<b>Total</b>	<b>0.15</b>	<b>0.12</b>

**Foot Note:**

(i) Aggregate Amount of Quoted Investment

Particulars	31-Mar-18	31-Mar-17
-Cost	0.02	0.02
-Market Value	0.15	0.12

(ii) Aggregate Amount of Impairment in Value of investment-NIL

**3.3 Other Non Current Assets**

Particulars	31-Mar-18	31-Mar-17
Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	2.59	2.83
<b>Total</b>	<b>2.59</b>	<b>2.83</b>
Advances Other than Capital Advances		
Security Deposits	6.27	5.64
Unsecured considered good		
Unsecured Deposits	1.86	0.80
<b>Total</b>	<b>8.13</b>	<b>6.44</b>
Prepayment	15.16	11.34
Advance Income Tax Net of Provisions	1.68	2.13
<b>Total</b>	<b>16.84</b>	<b>13.47</b>
<b>Total</b>	<b>27.56</b>	<b>22.74</b>

Note: In respect of Other advances (Note:3.9 A), a sum of ₹0.80 Crore due for repayment after 1 year which was wrongly included in current assets in the previous year (As at 31st March 2017 ₹12.08 Crores) has been reclassified as Non-Current.

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 3.4 Inventories

Particulars	31-Mar-18	31-Mar-17
(a) Raw-Materials	89.07	67.41
(b) Work in Progress	15.92	14.84
(c) Finished Goods	98.27	115.32
(d) Stock in Trade	225.71	170.10
Add: - Stock in Transit	-	4.85
(e) Stores and Spares	8.22	7.37
<b>Total</b>	<b>437.19</b>	<b>379.89</b>

Note:

(i) During the year ended 31st March 2018, ₹2.97 Crores (Previous year : ₹3.66 Crores) was recognised as an expense for Inventories carried at Net Realisable value.

(ii) Mode of Valuation:

Inventories are valued at lower of cost, computed on a weighted average basis and estimated net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Finished Goods and Work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iii) Stock in Transit - NIL (Previous Year- ₹4.85 Crores).

### 3.5 - Investments

Particulars	31-Mar-18	31-Mar-17
Quoted:		
Investment in Mutual Funds (At Fair Value)		
Baroda Pioneer Treasury Advantage Fund - 97,365.091 units (P.Y. 3,24,686.16 units)	10.04	33.41
ICICI Prudential Savings Fund - NIL units (P.Y. 20,91,616.89 units)	-	21.20
Reliance Medium Term Fund - 1,48,58,818.242 units (P.Y. 53,15,924.93 units)	25.42	9.08
Birla Sun Life Savings Fund - NIL units (P.Y. 3,99,782.12 units)	-	4.03
TATA Ultra Short Term Fund - NIL units (P.Y. 40,162.40 units)	-	4.03
IDFC Ultra Short Term Fund - NIL units (P.Y. 30,01,306.48 units)	-	3.02
DHFL Pramerica Low Duration Fund - 50,75,747.35 units (P.Y. NIL units)	5.09	-
Edelweiss Arbitrage Fund - Regular Plan - 2,06,61,858.33 units (P.Y. NIL units)	25.30	-
HDFC Prudence Fund - Regular Plan - 2,11,501.53 units (P.Y. NIL units)	10.25	-
IDFC Arbitrage Fund - Regular Plan - 1,18,68,638.64 units (P.Y. NIL units)	15.03	-
IDFC Arbitrage Fund - Direct Plan - 78,24,202.16 units (P.Y. NIL units)	10.19	-
Kotak Low Duration Fund - Regular Plan - 90,084.93 units (P.Y. NIL units)	9.16	-
L & T Floating Rate Fund - 5,19,64,607.35 units (P.Y. NIL units)	56.46	-
<b>Total -Aggregate Value of Quoted Investments</b>	<b>166.94</b>	<b>74.77</b>

## 3.6 - Trade Receivables

Particulars	31-Mar-18	31-Mar-17
From Related Parties	0.29	0.04
Others	258.00	215.26
<b>Total Trade and Other Receivables</b>	<b>258.29</b>	<b>215.30</b>

	31-Mar-18	31-Mar-17
<b>Other Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	258.29	215.30
Doubtful	9.34	4.81
<b>Total</b>	<b>267.63</b>	<b>220.11</b>
Provision for Doubtful Receivables	(9.34)	(4.81)
<b>Total</b>	<b>258.29</b>	<b>215.30</b>
<b>Total Trade and Other Receivables</b>	<b>258.29</b>	<b>215.30</b>

## Age of Receivables:

Particulars	31-Mar-18	31-Mar-17
Within the credit period	121.01	113.75
1-30 days past due	69.53	51.23
31-90 days past due	51.98	32.51
More than 90 days past due	25.11	22.62
<b>Total</b>	<b>267.63</b>	<b>220.11</b>

No Trade or Other Receivable are due from Directors or other Officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Movement in Provision for Doubtful Debts	2017-18	2016-17
Opening Balance	4.81	3.89
Charge for the year	4.57	1.14
Utilised	-	-
Unused amounts reversed	0.04	0.22
<b>Closing Balance</b>	<b>9.34</b>	<b>4.81</b>



# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 3.7 - Cash and cash equivalents

Particulars	31-Mar-18	31-Mar-17
(A) Balances with banks:		
On current accounts	65.06	58.07
(B) Cheques on Hand	4.08	
(C) Cash in Hand	0.05	0.08
<b>Total Cash and Cash Equivalents</b>	<b>69.19</b>	<b>58.15</b>

### 3.7 A - Other balances with Banks

Particulars	31-Mar-18	31-Mar-17
Earmarked Bank Balances		
i) Unpaid Dividend Bank Account	1.35	1.19
ii) Balance in Capital Gain Account scheme	-	3.40
iii) Term Deposits with Banks	64.21	0.71
iv) Bank Balances held as Margin Money	0.77	1.84
v) Other Commitments	-	-
<b>Total</b>	<b>66.33</b>	<b>7.14</b>

Note: In respect of other Balances with Banks, a sum of ₹0.71 Crore which was wrongly included in Cash and Cash Equivalents (Note 3.7) in the previous year (As at 31st March 2017-NIL) has been reclassified as Term Deposits with Banks.

### 3.8 - Other Current Financial Assets

Particulars	31-Mar-18	31-Mar-17
Others-Accrued Interest Receivable on Deposits	0.80	1.55
<b>Total</b>	<b>0.80</b>	<b>1.55</b>

### 3.9 - Current Tax Assets (Net)

Particulars	31-Mar-18	31-Mar-17
Advance Tax Net of Provisions	0.46	-
Advance Fringe Benefits Taxes	0.11	0.11
<b>Total</b>	<b>0.57</b>	<b>0.11</b>

### 3.9A - Other Current Assets

Particulars	31-Mar-18	31-Mar-17
Advance to Employees Unsecured, considered good	0.19	0.23
Other Advances Unsecured, considered good	16.10	11.28
Prepaid Expenses	5.92	4.52
Prepayment-Lease Rentals	0.37	0.35
Balances With Excise and Sales Tax Authorities	0.02	1.93
GST Receivables	25.37	-
<b>Total</b>	<b>47.97</b>	<b>18.31</b>

Refer Note on Other Non Current Assets ( Note 3.3) above.

**3.10 - Equity Share Capital**

Particulars	31-Mar-18	31-Mar-17
Authorised Share Capital		
1,50,00,000 Equity shares of ₹10 each with voting rights	15.00	15.00
Total	15.00	15.00
<b>Issued and Subscribed Share Capital:</b>		
1,16,78,469 Equity shares of 10 each (Previous Year 1,16,78,469 Equity Shares of Rs 10/- each) (Refer Note 2 below)	11.68	11.68
<b>Paid Up Share Capital</b>		
1,15,51,169 Equity Shares of ₹10 each (Previous Year 1,16,51,169 Equity Shares of ₹ 10/- each)	11.55	11.65
Add : 27,300 Equity Shares Forfeited (₹ 5/- paid-up)	0.01	0.01
<b>Total</b>	<b>11.56</b>	<b>11.66</b>

1. Paid Up Share Capital of 1,15,51,169 shares (Previous Year : 1,16,51,169 shares) includes 78,69,064 shares of ₹ 10 each allotted as Bonus Shares fully paid-up by capitalisation of reserves and 20106 shares issued to shareholders of M/s.Prestige Housewares India Limited(PHIL) consequent to merger of PHIL with TTK Prestige Limited. This also includes 9979 shares of ₹10 each issued to shareholders of Triveni Blaletti Industries Private Limited as per the demerger scheme approved by the Honorable High Courts of Madras and Bombay.
2. During the year the Company completed Buy back of 1,00,000 Equity shares @ ₹7000 per share aggregating to ₹70 Crores. The Excess amount over Face value of these shares along with expenses relating to Buy back have been debited to Securities Premium Reserve in accordance with the provisions of the Companies Act and the necessary transfer to Capital Redemption Reserve has been made.

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 3.10 a. Movement in respect of Equity Shares is given below :

Particulars	31-Mar-18		31-Mar-17	
	Nos.	Amount in Rs.	Nos.	Amount in Rs.
At the beginning of the period	1,16,51,169	11.65	1,16,41,190	11.64
(+) Issued during the period*	-	-	9,979	0.01
(-) Redeemed during the period	1,00,000	0.10	-	-
<b>Outstanding at the end of the period</b>	<b>1,15,51,169</b>	<b>11.55</b>	<b>1,16,51,169</b>	<b>11.65</b>

### 3.10 b. Details of Shareholders holding more than 5% shares in the Company

Particulars	31-Mar-18		31-Mar-17	
	Nos.	% of Holding	Nos.	% of Holding
T.T. Krishnamachari & Co. represented by its partners	69,70,334	60.34%	69,88,747	59.98%
Axis Mutual Fund Trustee Limited	8,06,902	6.99%	5,75,036	4.94%
<b>Total</b>	<b>77,77,236</b>	<b>67.33%</b>	<b>75,63,783</b>	<b>64.92%</b>

### 3.10c Details of Dividend declared and paid

During the year, Dividend of ₹. 37.72 Crores including Dividend Distribution Tax of ₹ 6.38 Crores (₹ 27/-per Share) pertaining to the year 2016-17 was paid.

### 3.11- Other Equity

Particulars	31-Mar-18	31-Mar-17
Security Premium Reserve	40.19	111.03
General Reserve	180.10	154.10
Revaluation Reserve	2.15	2.15
Capital Reserve	15.39	15.39
Capital Redemption Reserve	0.10	-
Retained Earnings	771.09	571.52
Exchange Difference on translating Financial Statements of a foreign operation	(0.24)	(11.13)
Other Items of OCI	(0.66)	(1.10)
<b>Total</b>	<b>1,008.12</b>	<b>841.96</b>

### 3.12 - Financial Liabilities-Borrowings

Particulars	31-Mar-18	31-Mar-17
Secured		
From Banks (HSBC) on floating rate of interest (Refer Note 3.1)	92.29	113.23
<b>Total</b>	<b>92.29</b>	<b>113.23</b>
Current Maturities of Non-Current Borrowings	36.91	-
<b>Total</b>	<b>36.91</b>	<b>-</b>
<b>Total</b>	<b>129.20</b>	<b>113.23</b>

**3.13 - Other Non Current Financial Liabilities**

Particulars	31-Mar-18	31-Mar-17
Unsecured		
From Others-Deposit from Joint Development	-	5.00
<b>Total</b>	<b>-</b>	<b>5.00</b>

**3.14 - Long Term Provisions**

Particulars	31-Mar-18	31-Mar-17
Provision for Employee Benefits :-		
Compensated Absence Liabilities (Refer Note 5.13)	4.84	-
Gratuity Liabilities (Refer Note 5.13)	0.53	1.29
<b>Total</b>	<b>5.37</b>	<b>1.29</b>

**3.15 - Deferred Tax Asset(s)/ (Liabilities)****Components of Deferred Tax Assets and Liabilities**

Particulars	31-Mar-18	31-Mar-17
<b>A. Deferred Tax Liabilities</b>		
Timing Difference on Fixed Assets Depreciation between Companies Act and IT Act	42.17	36.35
<b>Total (A)</b>	<b>42.17</b>	<b>36.35</b>
<b>B. Deferred Tax Assets</b>		
Provision for Gratuity	-	-
Provision for Leave Encashment	-	-
VRS	(0.52)	(0.98)
<b>Total (B)</b>	<b>(0.52)</b>	<b>(0.98)</b>
<b>Net Deferred Tax Liabilities</b>	<b>41.65</b>	<b>35.37</b>

Note: No Deferred Tax liability has been recognized on the undistributed earnings of the subsidiaries as the holding company is able to control the timing of the declaration of the dividend and does not expect any distribution to happen in the foreseeable future.

**Reconciliation of Deferred Tax Liabilities/ Asset(s)- Net**

Particulars	31-Mar-18	31-Mar-17
Opening balance	35.37	29.29
Tax Income/(Expense) during the period recognised in Profit or Loss	6.28	6.08
Tax Income/(Expense) during the period recognised in OCI	-	-
<b>Closing balance</b>	<b>41.65</b>	<b>35.37</b>

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 3.16 - Trade Payables - Current

Particulars	31-Mar-18	31-Mar-17
Micro and Small Enterprises	42.75	45.05
Other Payables	194.26	110.07
Related Parties	1.40	1.10
<b>Total</b>	<b>238.41</b>	<b>156.22</b>

### 3.17 - Other Financial Liabilities - Current

Particulars	31-Mar-18	31-Mar-17
Employee Related Liabilities	1.63	1.40
Employee Bonus and Incentives	25.64	18.53
Creditors for Capital Goods and Services	0.70	0.51
Unclaimed Dividend	1.35	1.19
Provision for Expenses	61.14	59.27
<b>Total</b>	<b>90.46</b>	<b>80.90</b>

Note: In respect of Other Financial Liabilities-Current, a sum of ₹0.65 Crores (net) which was wrongly included in Other Current Liabilities (Note: 3.18) in the previous year (As at 31st March 2017-₹58.06 Crores) has now been reclassified under Provision for Expenses.

### 3.18- Other Current Liabilities

Particulars	31-Mar-18	31-Mar-17
Statutory Liabilities -Taxes Payable	4.81	10.90
Advance Collected from customers	18.47	11.06
Provision for Expenses	4.05	3.37
Provision for Scheme in Kind	0.14	1.92
Interest Accrued but not due on Borrowings	0.64	0.52
<b>Total</b>	<b>28.11</b>	<b>27.77</b>

### 3.19 -Provisions

Particulars	31-Mar-18	31-Mar-17
Provision for Employee Benefits :- (Refer note 5.13)		
Compensated Absence Liabilities	-	-
Gratuity Provisions	-	0.29
Other Provisions :- (Refer foot note below)		
Provision for Derivative Liability	-	0.02
Provision for EPCG Liability	10.93	10.21
Provision for Warranty	5.47	4.08
<b>Total</b>	<b>16.40</b>	<b>14.60</b>

## Foot Notes:

(₹ in Crores)

## Movement in Other Provisions

Particulars	Year	Opening Balance	Additions	Amount Used/ Reversed	Closing Balance
Provision for Derivative Liability	2017-18	0.02	(0.02)	-	0.00
	2016-17	-	0.02	-	0.02
Provision for EPCG Liability	2017-18	10.21	0.72	-	10.93
	2016-17	0.73	9.48	-	10.21
Provision for Warranty	2017-18	4.08	1.39	-	5.47
	2016-17	2.71	4.86	3.49	4.08

## 3.20 - Current Tax Liabilities

Particulars	31-Mar-18	31-Mar-17
Provision for Income Tax	-	1.24
<b>Total</b>	<b>-</b>	<b>1.24</b>



# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 4.1 - Revenue From Operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Revenue from Operations:		
Sale of Products (Including Excise Duty CY ₹6.47 Crores, (PY ₹ 36.36 Crores)	1,972.91	1,829.46
Sale of Scrap	8.73	7.55
<b>Total</b>	<b>1,981.64</b>	<b>1,837.01</b>

\*Excise Duty was applicable only up to 30th June 2017.

### 4.2 - Other Income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Income from Bank Deposits etc.	1.58	0.96
Dividend Income from Mutual Funds.	6.07	1.39
Exchange Gain /( Loss )	0.64	0.20
Bad Debts Recovered	0.04	0.22
Commission receipts	2.75	1.51
Other Miscellaneous Income	0.71	1.69
Advance Payment Discount Reversal	0.64	0.77
<b>Total</b>	<b>12.43</b>	<b>6.74</b>

### 4.3 - Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening Balance		
(a) Work in Progress	14.84	12.00
(b) Finished Goods	115.32	116.17
(c) Stock in Trade	174.94	184.84
<b>Total Opening Balance</b>	<b>305.10</b>	<b>313.01</b>
Closing Balance		
(a) Work in Progress	15.92	14.84
(b) Finished Goods	98.27	115.32
(c) Stock in Trade	225.71	174.94
<b>Total Closing Balance</b>	<b>339.90</b>	<b>305.10</b>
<b>Total Changes in Inventory of Work-In-Progress, Stock in Trade and Finished Goods</b>	<b>(34.80)</b>	<b>7.91</b>

**4.4 - Employee benefits expense and payment to contractor**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, Wages, Bonus etc.	142.74	121.98
Company's Contribution to Provident and Other Funds	5.15	5.53
Staff Welfare Expenses	10.75	10.20
<b>Total</b>	<b>158.64</b>	<b>137.71</b>

**4.5 - Finance Cost**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Costs	2.38	5.68
Interest on Dealer deposits	0.73	0.74
Bank Guarantee charges related to Subsidiary borrowings	0.84	0.89
Consortium charges	0.14	0.27
<b>Total</b>	<b>4.09</b>	<b>7.58</b>

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ in Crores)

### 4.6 - Other Expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
<b>I. Operating expenses consists of the following :</b>		
Fuel, power and light	17.66	17.66
Repairs to buildings	2.66	2.01
Repairs to machinery	2.91	2.68
Repairs to others	6.74	6.63
Sales Promotion Expenses	38.21	34.13
Sundry Manufacturing Expenses	4.75	5.51
<b>II. General expenses consists of the following :</b>		
Consumption-Stores and Spares	7.44	7.56
Rent	7.91	8.13
Motor Vehicle Expenses	0.93	0.92
Bank Charges	3.29	3.52
Rates and taxes	1.59	1.76
Carriage Outwards	82.10	70.69
Insurance	1.68	1.85
Advertising and publicity	109.27	93.06
Printing and stationery	1.29	1.11
Passage and travelling	13.19	12.37
Provision for doubtful debts (Refer Note 3.6)	4.57	1.14
Bad Debts	0.24	0.45
Professional fees	3.30	3.88
Profit/(Loss) on Sale of Fixed Assets	-	0.08
Expenditure on Corporate Social Responsibility	3.33	2.88
Distribution Expenses	38.29	41.64
Miscellaneous Expenses	18.91	17.82
Communication charges	2.50	2.84
Service Centre Expenses	8.03	7.50
Payment made to Auditors (Refer foot note below)	0.98	1.10
Directors' fees	0.19	0.11
Non Executive Director Commission	1.20	1.05
<b>Total</b>	<b>383.16</b>	<b>350.08</b>

**Note:**

	31 March 2018	31 March 2017
(aa) Payments to the Auditor as		
(a) Auditor		
(i) for Statutory Audit Fees	0.62	0.73
(ii) for Taxation Matters	-	0.12
(iii) for Other Services	0.02	0.07
(iv) for Reimbursement of Expenses	0.01	0.01
(b) Cost Audit Fees	0.03	0.03
(c) Internal Audit Fees	0.20	0.14
(d) Tax Audit Fees	0.10	-
<b>Total</b>	<b>0.98</b>	<b>1.10</b>

**4.7-Exceptional Items**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Ex-gratia payments to retired employess/VRS Compensation	-	(2.38)
Adjustment for liabilities on takeover of Kitchen Appliances division of TBI	-	4.15
Acquisition Expenses	-	(5.84)
Profit on Sale of Investment Property	128.96	-
<b>Total</b>	<b>128.96</b>	<b>(4.07)</b>

**Notes:**

The Company has dealt with its entire rights accruing under the development agreement relating to the property at Dooravani Nagar, Bengaluru. The Gross revenue accrual was ₹163.00 Crores and the net income after accounting for expenses and book value of the assets was ₹ 128.96 Crores.

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

### 5.1 Critical judgements in applying accounting policies & Key sources of estimation uncertainty:

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accounting disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying number of assets or liabilities affected in future periods.

#### Critical Judgements in applying accounting policies:

- (i) **Lease classification** The Group enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- (i) Useful life of Property, Plant & Equipment (PPE)  
The Group reviews the estimated useful lives of PPE at the end of each reporting period
- (ii) Defined benefit plans Defined Benefit Obligations (DBO))

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

### 5.2 Financial risk management objectives and policies: The group is exposed primarily to fluctuations in

credit, liquidity and interest rate risks and foreign currency exchange rates, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

#### Price Risk

The Group is not exposed to any price risk that could adversely affect the value of the group's financial assets or expected future cash flows.

#### Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollars against the functional currency of the Group.

The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The Group imports raw materials and finished goods from outside India as well as makes export sales to countries outside the territories in which they operate from. The Group is, therefore, exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against foreign currency vendor payables.

The Group's outstanding foreign currency exposure is as follows:

Particulars	Liabilities as at		Assets as at	
	31 Mar'18	31 Mar'17	31 Mar'18	31 Mar'17
USD	0.02	0.03	0.08	0.16
EURO	0.02	0.00	0.01	0.02

**Foreign currency sensitivity analysis**

The Group is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(₹. In Crores)

<b>USD sensitivity at year end</b>	<b>31 Mar'18</b>	<b>31 Mar'17</b>
<b>Receivables:</b>		
Weakening of INR by 5%	0.27	0.53
Strengthening of INR by 5%	(0.27)	(0.53)
<b>Payables:</b>		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-

**Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to concentrations of credit risk principally consist of investments classified as loans and receivables, trade receivables, loans and advances, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 561.50 Crores, and ₹ 356.83 Crores as of March 31, 2018, March 31, 2017 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity and preference investments.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2018 and March 31, 2017.

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents, financial assets carried at fair value and interest-bearing deposits with corporate are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits placed with corporates, which have high credit-rating assigned by international and domestic credit-rating agencies.

Financial assets carried at fair value substantially include investment in liquid mutual fund units. With respect to Trade receivables and other financial assets that are past due but not impaired, there were no indications as of March 31, 2018, that defaults in payment obligations will occur except as described in note 3.6 on allowances for impairment of trade receivables. The Group does not hold any collateral for trade receivables and other financial assets. Trade receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. At 31 March 2018, the Group had 3 Customers (31 March 2017: 2 customers) that owed the Group more than 5% of the Total receivables, which accounted for approximately 25.57% (31 March 2017: 11%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. The cash surpluses of the Group are short term in nature and are invested in Liquid Debt Mutual funds. Hence the assessed credit risk is low.

**Liquidity risk**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and financial assets based on contractual undiscounted receipts:

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ In Crores)

As at 31 <sup>st</sup> March 2018	On demand	Less than 3 months	3 to 12 months	1 to 3 years	> 3 years	Total
	INR	INR	INR	INR	INR	
Trade and other payables	-	238.41	-	-	-	238.41
<b>Other financial liability</b>		-				
Employee related liabilities	1.63	-	-	-	-	1.63
Employee Bonus and Incentives	-	17.95	7.69	-	-	25.64
Creditors for capital goods and services	-	0.70	-	-	-	0.70
Unclaimed Dividend	1.35	-	-	-	-	1.35
Provision for Expenses	-	61.14	-	-	-	61.14
Borrowings		18.46	18.45	92.29		129.20
	<b>2.98</b>	<b>336.66</b>	<b>26.14</b>	<b>92.29</b>	-	<b>458.07</b>
<b>As at 31<sup>st</sup> March 2017</b>						
Trade and other payables	-	156.22	-	-	-	156.22
<b>Other financial liability</b>						
Employee related liabilities	1.40	-	-	-	-	1.40
Employee Bonus and Incentives	-	-	18.53	-	-	18.53
Creditors for capital goods and services	-	0.51	-	-	-	0.51
Unclaimed Dividend	1.19	-	-	-	-	1.19
Provision for Expenses	-	59.27	-	-	-	59.27
Borrowings	-	-	-	113.23	-	113.23
	<b>2.59</b>	<b>216.00</b>	<b>18.53</b>	<b>113.23</b>	-	<b>350.35</b>

As at 31 <sup>st</sup> March 2018	On demand	Less than 3 months	3 to 12 months	1 to 3 years	> 3 years	Total
	INR	INR	INR	INR	INR	
Investment in Mutual Funds	-	50.56	116.38	-	-	166.94
Bank Deposits	1.35	1.27	63.71	-	-	66.33
Trade receivables	-	255.94	2.35	-	-	258.29
Other Financial Assets	-	0.80	-	-	-	0.80
	<b>1.35</b>	<b>308.57</b>	<b>182.44</b>	<b>0.00</b>	<b>0.00</b>	<b>492.36</b>
<b>As at 31<sup>st</sup> March 2017</b>						
Investment in Mutual Funds	-	74.77	-	-	-	74.77
Bank Deposits	5.41	0.76	0.97	-	-	7.14
Trade receivables	-	215.30	-	-	-	215.30
Other Financial Assets	-	1.55	-	-	-	1.55
	<b>5.41</b>	<b>292.38</b>	<b>0.97</b>	<b>0.00</b>	<b>0.00</b>	<b>298.76</b>

The company has access to committed credit facilities as described below, of which ₹110.00 Crores were unused at the end of the reporting period (as at March 31, 2017 ₹90.00 Crores). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Funded Limit: ₹110.00 Crores (PY ₹90.00 Crores)

Non Funded Limit: ₹60.00 Crores (PY ₹60.00 Crores)

Funded Limit for Subsidiary is 1 Million Pounds.



## 5.3 Financial Instruments

## a. Derivative financial instruments

For the Parent:

Particulars	Currency	As at	As at
		March 31, 2018	March 31, 2017
Forward contracts (Buy)	USD	0.02	0.03
Gain/(Loss) mark to market in respect of Forward contracts outstanding	Rupees	0.00	0.02

## (i) Forward contract

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables denominated in certain foreign currencies. The details of outstanding forward contracts as at March 31, 2018 and March 31, 2017 are given below:

It is the policy of the holding company to enter into forward exchange contracts to cover specific foreign currency payments (100% of the exposure generated). Subsidiaries take forward contract for future purchases as well.

The Group recognized a net loss on the forward contracts of ₹0.20 Crore for the year ended March 31, 2018 (Previous year ₹0.04 Crore).

For the Subsidiaries:

Particulars	Currency	As at	As at
		March 31, 2018	March 31, 2017
Forward contracts (Buy)	USD	0.07	0.04
	Pounds	0.01	0.01

All open forward exchange contracts mature within three months from the balance sheet date.

ii. Cross Currency Swap: None

iii. Interest rate swap: None

## b. Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

Fair Value Measurement:				
As at March 31, 2018	FVPL	FVOCI	Amortized Cost	Total carrying value
<b>Financial assets:</b>				
Trade Receivables	-	-	258.29	258.29
Investments	166.94	0.15	-	167.09
Bank Balances	-	-	66.33	66.33
Other financial assets	-	-	0.80	0.80
<b>Total</b>	<b>166.94</b>	<b>0.15</b>	<b>325.42</b>	<b>492.51</b>
<b>Financial liabilities:</b>				
Borrowings	-	-	129.20	129.20
Creditors	-	-	238.41	238.41
Forward Contracts	-	-	-	-
Other financial liabilities	-	-	90.46	90.46
<b>Total</b>	<b>0.00</b>	<b>-</b>	<b>458.07</b>	<b>458.07</b>

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ In Crores)

As at March 31, 2017	FVPL	FVOCI	Amortized Cost	Total carrying value
<b>Financial assets:</b>				
Trade Receivables	-	-	215.30	215.30
Investments	74.77	0.12	-	74.89
Bank Balances	-	-	7.14	7.14
Other financial assets*	-	-	1.55	1.55
<b>Total</b>	<b>74.77</b>	<b>0.12</b>	<b>223.99</b>	<b>298.88</b>
<b>Financial liabilities:</b>				
Borrowings	-	-	113.23	113.23
Creditors	-	-	156.22	156.22
Forward Contracts	0.02	-	-	0.02
Other financial liabilities	-	-	80.90	80.90
<b>Total</b>	<b>0.02</b>	<b>-</b>	<b>350.35</b>	<b>350.37</b>

### Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

March 31, 2018	Level-1	Level-2	Level-3	Total Carrying Value
<b>Financial assets:</b>				
Investments	167.09	-	-	167.09
<b>Total</b>	<b>167.09</b>	<b>-</b>	<b>-</b>	<b>167.09</b>
<b>Financial liabilities:</b>				
Forward Contracts	-	0.00	-	0.00
<b>March 31, 2017</b>	<b>Level-1</b>	<b>Level-2</b>	<b>Level-3</b>	<b>Total Carrying Value</b>
<b>Financial assets:</b>				
Investments	74.89	-	-	74.89
<b>Total</b>	<b>74.89</b>	<b>-</b>	<b>-</b>	<b>74.89</b>
<b>Financial liabilities:</b>				
Forward Contracts	-	0.02	-	0.02

b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value Disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a) above approximate their fair values.

Interest income/ (expense), gain/ (losses) recognized on financial assets and liabilities

(₹ In Crores)

	As at Mar 31, 2018	As at Mar 31, 2017
<b>(a) Financial assets at amortized cost</b>		
Interest income on Bank Deposits	0.86	0.63
Interest income on Other Financial asset	0.72	0.33
Impairment on Trade receivables	-	-
<b>(b) Financial asset at FVTPL</b>	-	-
Dividend Income on Mutual Funds	6.07	1.39
<b>(c) Financial asset at FVTOCI</b>		
Change in fair value of Equity instruments designated irrevocably as FVTOCI	0.03	(0.02)
<b>(d) Financial liabilities at amortized cost</b>		
Interest expenses on Borrowings from banks, others and overdrafts	2.38	5.68
<b>(e) Financial liability at FVTPL</b>		
Net gain/(losses) on fair valuation of forward contracts	<b>(0.20)</b>	<b>(0.04)</b>

**Capital Management:**

The Group's capital comprises of equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Group's capital management is to maximize shareholders value. The Group manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Group does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2018 is ₹11.56 crores (Previous Year: ₹ 11.66 crores).

**Gearing Ratio**

The Gearing Ratio of the group is 13% (PY 13%).

**Interest rate risk management:**

The Group's main interest rate risk arises from Long Term Borrowings with Variable rates. The borrowings of the group amounts to ₹ 129.20 Crores as at 31<sup>st</sup> March 2018 (PY ₹ 113.23 Crores) will not have any material impact due to the changes in market interest rates.

5.3 A. The company operates under one segment of Kitchen & Home appliances. Hence Segment reporting is not applicable.

Information about major customers:

Group's significant revenues (more than 5%) are derived from sales to one Customer. The total sales to such Customers amounted to ₹ 122.75 Crores in 2017-18 and ₹ 104.01 Crores in 2016-17.

No single customer contributed 10% or more to the Group's revenue for 2017-18 and 2016-17.

Revenue from Major products:

Refer note 5.7

Information about geographical area

The Group is domiciled in India/UK. The amount of its revenue from external customers broken down by location of customers is tabulated below:

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Country of Domicile	1810.43	1679.81
Other than Country of Domicile	60.92	65.33
<b>Total</b>	<b>1871.35</b>	<b>1745.14</b>

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
India/UK	377.21	413.35
Outside India/UK	14.31	6.45
<b>Total</b>	<b>391.52</b>	<b>419.80</b>

#### 5.4 Related Party Transactions

The following tables provide details about the nature of relationship and total amount of transactions that have been entered into with related parties for the relevant financial year.

Description of relationship	Group
	Enterprises over which Key Managerial Personnel (KMP) having significant control
Directors	Mr. T.T. Jagannathan (KMP) Mr. Chandru Kalro (KMP) Mr. K. Shankaran (KMP) Mr.R.Srinivasan Dr.(Mrs.) Vandana Walvekar Mr.Dileep Kumar Krishnaswamy Mr.Arun.K.Thiagarajan Mr.Murali Neelakantan Mr. T.T.Mukund Mr.T.T.Raghunathan Mr. Nigel Hardman Mr. Rob Jones Mr. Neil Rosati
Other Key Managerial Personnel	Mr. V Sundaresan

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(a) Summary of the transactions with the above related parties:

(₹ In Crores)

Particulars	Enterprises over which KMP having significant contro		Key Management Personnel and relatives	
	2017-18	2016-17	2017-18	2016-17
Sales	0.44	0.35	-	-
Purchases	0.04	0.13	-	-
Commission and Sitting fees to Non-Executive Directors	-	-	1.39	1.16
Remuneration	-	-	22.43	17.76
Others: Expenses/(Income)	22.81	24.78	0.05	0.33

## (b) Balances Outstanding

Particulars	Enterprises over which KMP having significant contro		Key Management Personnel and relatives	
	2017-18	2016-17	2017-18	2016-17
Amount due to the Group against supplies	0.30	0.04	-	-
Amount Owed by Group against Purchases	0.00	0.01	-	-
Other Current Liabilities	1.40	1.37	16.84	11.44

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

### (c)\*Related Parties with whom Transactions have taken place during the year

(₹ In Crores)

Entity	Nature of Business	Nature of Relationship	2017-18		2016-17	
			Expenses	Income	Expenses	Income
TTK HEALTHCARE LTD	SALES	OTHER RELATED PARTY	-	0.44	-	0.35
	PURCHASES	OTHER RELATED PARTY	0.04	-	0.13	-
	OTHER EXPENSES	OTHER RELATED PARTY	-	-	-	-
TTK PROTECTIVE DEVICES LTD	TRAVEL EXPENSES (GUEST HOUSE STAY)	OTHER RELATED PARTY	-	-	0.02	-
T.T.KRISHNAMACHARI & CO.,	TRAVEL EXPENSES (GUEST HOUSE STAY)	OTHER RELATED PARTY	0.05	-	0.07	-
	PROFESSIONAL CHARGES	OTHER RELATED PARTY	-	-	-	-
	TELEPHONE CHGS	OTHER RELATED PARTY	-	-	-	-
	RENT PAID	OTHER RELATED PARTY	0.02	-	0.02	-
	C & F CHGS	OTHER RELATED PARTY	14.05	-	16.17	-
	LICENCE FEE ON LOGO	OTHER RELATED PARTY	8.67	-	8.82	-
	ELECTRICITY CHGS	OTHER RELATED PARTY	-	-	-	-
	MAINTENANCE CHARGES	OTHER RELATED PARTY	-	-	-	-
	OTHER EXPENSES	OTHER RELATED PARTY	-	-	-	0.29
	STAMP DUTY	OTHER RELATED PARTY	-	-	-	0.03
	OTHER INCOME		-	-	-	-
Mr. T.T.JAGANNATHAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	10.87	-	8.66	-
Mr.K. SHANKARAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	3.49	-	1.83	-
Mr.M.CHANDRU KALRO	REMUNERATION	KEY MANAGEMENT PERSONNEL	3.44	-	2.04	-
Mr.V.SUNDARESAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	0.91	-	0.82	-
Mr. R.SRINIVASAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.22	-	0.16	-
Mr.MURALI NEELAKANTAN	PROFESSIONAL CHARGES	OTHER RELATED PARTY	0.02	-	0.30	-
	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.20	-	0.16	-
	TRAVEL EXPENSES	OTHER RELATED PARTY	0.03	-	0.03	-
Mr. ROB JONES	REMUNERATION	KEY MANAGEMENT PERSONNEL	1.14	-	0.17	-
Mr. NIEL ROSATI	REMUNERATION	KEY MANAGEMENT PERSONNEL	1.27	-	1.45	-
Mr. JEREMY HORWOOD*	REMUNERATION	KEY MANAGEMENT PERSONNEL	-	-	1.31	-
Mr. NIGEL HARDMAN	REMUNERATION	KEY MANAGEMENT PERSONNEL	1.31	-	1.49	-
Mr. T.T.RAGHUNATHAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.18	-	0.15	-
Mr. T.T.MUKUND	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.19	-	0.16	-
Mr.ARUN.K.THAGARAJAN	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.20	-	0.17	-
Mrs. VANDANA WALVEKAR	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.19	-	0.16	-
Mr. DILEEP KUMAR KRISHNASWAMY	COMMISSION & SITTING FEES	NON EXECUTIVE DIRECTOR	0.22	-	0.18	-

\* Mr. Jeremy Horwood is not holding the Office of Director with effect from 28<sup>th</sup> February 2017.

## (d) Closing balance of related parties

(₹ In Crores)

	As on 31st March 2018		As on 31st March 2017	
	Payables	Receivables	Payables	Receivables
T.T.KRISHNAMACHARI & CO.,	1.40	-	1.36	-
TTK HEALTHCARE LTD	-	0.29	-	0.04
TTK PROTECTIVE DEVICES LTD	-	-	0.01	-
Mr.T.T.JAGANNATHAN	9.67	-	7.48	-
Mr. K. SHANKARAN	3.07	-	1.42	-
Mr.M.CHANDRU KALRO	2.90	-	1.50	-
Mr. R. SRINIVASAN	0.17	-	0.15	-
Mr. T.T.RAGHUNATHAN	0.17	-	0.15	-
Mr. T.T.MUKUND	0.17	-	0.15	-
Mr. MURALI NEELAKANTAN	0.17	-	0.15	-
Mrs. VANDANA WALVEKAR	0.17	-	0.15	-
Mr. DILEEP KUMAR KRISHNASWAMY	0.17	-	0.15	-
Mr. ARUN.K.THIAAGARAJAN	0.17	-	0.15	-

Note: All amounts mentioned above are excluding GST.

- Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for guarantees given on behalf of the subsidiaries details of which is provided in Note no.5.10 below. For the year ended 31 March 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- Compensation of key management personnel of the Group

Particulars	31-Mar-18	31-Mar-17
Short-term Employee Benefits	22.01	17.34
Post-employment Gratuity and Medical Benefits	0.20	0.21
Termination Benefits	0.22	0.21
Share-based Payment Transactions	-	-
<b>Total Compensation Paid to Key Management Personnel</b>	<b>22.43</b>	<b>17.76</b>



# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ In Crores)

Name of the entity in the group		Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
		As % of consolidated net assets	INR Crores	As % of consolidated profit and loss	INR Crores	As % of consolidated other comprehensive income	INR Crores	As % of total comprehensive income	INR Crores
<b>Parent</b>									
1	<b>TTK PRESTIGE LIMITED</b>								
	Balance as at 31 March, 2018	98.63%	1,005.66	97.49%	256.87	2.16%	0.24	93.62%	257.11
	Balance as at 31 March, 2017	100.41%	857.10	94.92%	143.00	3.72%	(0.43)	102.51%	142.57
<b>Subsidiaries</b>									
<b>Indian</b>									
1	-	-	-	-	-	-	-	-	-
<b>Foreign</b>									
1	<b>TTK BRITISH HOLDINGS LIMITED</b>								
	Balance as at 31 March, 2018	(9.56%)	(97.48)	(1.50%)	(3.94)	(1.44%)	(0.16)	(1.49%)	(4.10)
	Balance as at 31 March, 2017	(11.01%)	(93.95)	(5.70%)	(8.59)	(6.31%)	0.73	(5.65%)	(7.86)
2	<b>HORWOOD HOMEWARES HOLDINGS LIMITED</b>								
	Balance as at 31 March, 2018	(0.01%)	(0.14)	(0.02%)	(0.06)	(0.09%)	(0.01)	(0.03%)	(0.07)
	Balance as at 31 March, 2017	(0.01%)	(0.06)	(0.06%)	(0.09)	(0.09%)	0.01	(0.06%)	(0.08)
3	<b>HORWOOD HOMEWARES LIMITED</b>								
	Balance as at 31 March, 2018	10.95%	111.64	4.03%	10.62	99.37%	11.06	7.89%	21.68
	Balance as at 31 March, 2017	10.61%	90.53	10.84%	16.33	102.68%	(11.88)	3.20%	4.45

Non-controlling interests in all subsidiaries									
	Balance as at 31 March, 2018	-	-	-	-	-	-	-	-
	Balance as at 31 March, 2017	-	-	-	-	-	-	-	-
<b>Associates</b>		-	-	-	-	-	-	-	-
<b>Joint ventures</b>		-	-	-	-	-	-	-	-
<b>Indian</b>									
<b>Total</b>	<b>Balance as at 31 March, 2018</b>		<b>1019.68</b>		<b>263.49</b>		<b>11.13</b>		<b>274.62</b>
	<b>Balance as at 31 March, 2017</b>		<b>853.62</b>		<b>150.65</b>		<b>(11.57)</b>		<b>139.08</b>

**5.5 Break-up of Major Raw Materials Consumed-Manufactured Goods:**

Particulars	Amount
<b>Raw Materials Consumption</b>	
Aluminum	136.28
	(114.10)
Steel	34.53
	(21.28)
Components, Packing Material etc.	238.30
	(309.96)
Excise Duty related to Sales	6.47
	<b>(36.36)</b>
<b>Total</b>	<b>415.58</b>
	<b>(445.33)</b>

**5.6 Break-up of Purchases of Stock-in-Trade:**

Particulars	Amount
<b>Goods Purchased</b>	
Cookware	116.50
	(82.74)
Gas Stove	157.96
	(147.75)
Kitchen Electrical Appliances	382.96
	(301.76)
Others	43.91
	(57.36)
<b>Total</b>	<b>701.33</b>
	<b>(589.61)</b>

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

### 5.7 Break-up of Sales, Closing and Opening Value of Inventories

(₹ In Crores)

Particulars	Sales Values	Closing Inventory	Opening Inventory
<b>Manufactured Goods</b>			
Pressure Cookers	627.72	53.50	57.30
	(595.45)	(57.30)	(56.93)
Cookware	264.42	42.66	47.70
	(254.48)	(47.70)	(43.84)
Gas Stove	0.00	0.30	0.00
	0.00	(0.00)	(0.02)
Kitchen / Home Appliances	36.18	1.81	10.32
	(74.66)	(10.32)	(15.38)
<b>Total</b>	<b>928.32</b>	<b>98.27</b>	<b>115.32</b>
	<b>(924.59)</b>	<b>(115.32)</b>	<b>(116.17)</b>
<b>Traded Goods</b>	<b>Sales Values</b>	<b>Closing Inventory</b>	<b>Opening Inventory</b>
Cookware	168.79	86.50	56.43
	(169.95)	(56.43)	(60.59)
Gas Stove	269.04	25.81	20.65
	(230.77)	(20.65)	(18.43)
Kitchen / Home Appliances	555.97	76.18	62.46
	(452.59)	(62.46)	(63.62)
Others	50.79	37.22	35.41
	(51.56)	(35.41)	(32.79)
<b>Total</b>	<b>1044.59</b>	<b>225.71</b>	<b>174.95</b>
	<b>(904.87)</b>	<b>(174.95)</b>	<b>(175.43)</b>
<b>Grand Total</b>	<b>1,972.91</b>	<b>323.98</b>	<b>290.27</b>
	<b>(1,829.46)</b>	<b>(290.27)</b>	<b>(291.60)</b>

### 5.8 Imported & Indigenous Raw Materials, Components & Spares Consumed:

Particulars	2017-18		2016-17	
	Value	%	Value	%
Imported & Indigenous Raw Materials, Components & Spares Consumed :				
Imported	43.96	10.58	38.03	8.54
Indigenous	371.62	89.42	407.30	91.46
<b>Total</b>	<b>415.58</b>	<b>100.00</b>	<b>445.33</b>	<b>100.00</b>

### 5.9 Earnings per Share:

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Profit after tax as per Profit & Loss a/c before extra-ordinary items (net of tax)	263.49	150.65
Weighted Average number of Equity Shares used as Denominator for calculating EPS	1,15,84,502	1,16,43,869
Earnings Per Share of Rs. 10/- each :		
Basic EPS (Rs.)	227.46	129.38
Diluted EPS (Rs.)	227.46	129.38

## Reconciliation of equity shares in computing weighted average number of equity shares

(₹ In Crores)

	Year ended Mar 31, 2018	Year ended Mar 31, 2017
a) Weighted average number of shares – Basic		
Issued fully paid up as at Apr 1,	11,651,169	11,641,190
Effect of shares issued on exercise of stock option	-	-
Effect of shares issued / (buy back) during the year	(66,667)	2,679
Weighted average number of equity shares outstanding	11,584,502	11,643,869
b) Weighted average number of shares – diluted		
Issued fully paid up as at Apr 1,	11,651,169	11,641,190
Effect of shares issued during the year	(66,667)	2,679
Dilutive impact of associated stock options	-	-
Weighted average number of equity shares for diluted earnings per share outstanding	11,584,502	11,643,869

## 5.10 Legal proceedings/Contingent Liabilities/Contingent Assets

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
A) Contingent Liabilities		
(a) Guarantees /LC*	12.37	20.08
(b) Tax matters under appeal (IT/ST/ED etc.)	11.72	8.40
B) Commitments	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	16.30	8.18

**Contingent Asset:**

Fringe Benefit Tax (till the time of abolition) was paid under protest, since the matter is pending before The Honorable Supreme Court of India. In case of favorable decision, the Group would be entitled to seek refund of the same. Amount: ₹1.97 Crores (Previous Year: ₹ 1.97 Crores)

## 5.11 R&amp;D

The R & D facility of the Group has been recognized by the Ministry of Science & Technology, Government of India, U/s 35(2AB) of the Income Tax Act, dated 18th February, 2014 As required under this approval, expenditure in connection with R & D center is disclosed as follows

Sl. No	Nature of Expenditure	2017-18	2016-17
i.	Capital Expenditure	0.66	1.13
ii.	Revenue Expenditure	2.84	2.15

## 5.12 Commitments under Operating Leases:

At 31<sup>st</sup> March 2018, the Group had future minimum lease payments under non-cancellable operating leases as follows:

Description	2017-18	2016-17
Not later than 1 year	0.77	0.60
Later than 1 year and not later than 5 years	1.12	0.73

\*Converted at closing rate.

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

### 5.13 Employee benefit

(₹ In Crores)

	GRATUITY		COMPENSATED ABSENCES	
	Year ended Mar 31, 2018	Year ended Mar 31, 2017	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Reconciliation of opening and closing balances at the present value of the defined benefit obligation (gratuity)				
Projected benefit obligation at the beginning of the year	15.42	13.51	3.46	3.19
Service cost	1.05	0.91	0.42	0.64
Interest cost	1.17	1.08	0.26	0.26
Remeasurement Gain/(Loss)	-	-	-	-
Change in Demographic Assumptions	0.00	0.00	0.00	0.00
Change in Financial Assumptions	(0.25)	0.47	(0.10)	0.11
Experience Variance	(0.07)	0.16	(0.01)	(0.64)
Past Service Costs	0.00	0.00	4.64	0.00
Benefits paid	(0.40)	(0.70)	(0.01)	(0.10)
Projected benefit obligation at the end of the year	16.92	15.42	8.66	3.46
Change in fair value of plan assets				
Fair value of plan assets at the beginning of the year	13.83	11.53	3.50	2.96
Interest income	1.05	0.92	0.27	0.24
Employers contribution	1.90	2.08	0.09	0.39
Benefits paid	(0.40)	(0.70)	(0.01)	(0.10)
Return on Plan assets, excluding amounts recognized in net interest expense	0.02	0.00	(0.01)	0.06
Fair value of Plan assets at the end of the year	16.39	13.83	3.82	3.50
Amount recognized in balance sheet				
Present value of projected benefit obligation at the end of the year	16.92	15.42	8.66	3.46
Fair value of plan assets at the end of year	16.39	13.83	3.82	3.50
Funded status amount of liability recognized in balance sheet	0.53	1.59	4.84	0.00
Expense recognized in statement of profit or loss				
Service cost	1.05	0.91	0.42	0.64
Past Service Cost			4.64	0.00
Interest cost	0.12	0.16	0.00	0.02
Interest income	0.00	0.00	0.00	0.00
Net cost	1.17	1.06	5.05	0.66
Actual return on plan asset				
Summary of actuarial assumptions				
Discount rate	7.80%	7.60%	7.80%	7.60%
Expected rate of plan assets				
Salary escalation rate	6.00%	6.00%	6.00%	6.00%
Average future working life time				

(₹ In Crores)

Discount rate - based on prevailing market yields of Indian government securities as at the balance sheet date for estimated term of obligations.

Expected rate of return on plan assets - expectation of the average long term rate of return expected on investment of the funds during the estimated terms of the obligations.

Salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors.

**Contributions:**

The Group's expected cash flows over the next few years are as follows:

Year	Gratuity	Compensated Absences
1 year	3.09	3.32
2 to 5 years	6.54	3.07
6 to 10 years	6.62	2.47
More than 10 years	19.03	6.60

Gratuity plan's weighted average asset allocation at Mar 31 2018 and 2017 by asset category are as follows:

Fund managed by insurers	100%	100%
--------------------------	------	------

Remeasurement of the net defined benefit liability recognized in other comprehensive income

Remeasurement gain/(loss) arising from		
Change in demographic assumption	0.00	0.00
Change in financial assumptions	(0.25)	(0.10)
Experience variance	(0.07)	0.01
Return on plan assets, excluding amount recognized in net interest expense/income	0.02	(0.01)

Sensitivity analysis of significant actuarial assumption

	Gratuity				Compensated Absences			
	31-Mar-18		31-Mar-17		31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	15.75	18.26	14.29	16.71	8.21	9.17	3.19	3.78
Salary growth rate (-/+ 1%)	18.27	15.72	16.72	14.26	9.17	8.22	3.78	3.18

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

# TTK Prestige Limited

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(₹ In Crores)

### 5.14 Reconciliation of Effective Tax Rates

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarized below:

Particulars	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2017
Profit before taxes (Before Property Income)	230.17	183.86
Enacted tax rates in India	34.15%	33.74%
Expected tax expense/(benefit)	78.36	62.05
Effect of		
Tax Holiday benefit under Sec 80 (IC) for Roorkee Unit	(2.76)	(4.87)
Tax Benefit on research and development expenses	(0.83)	(1.53)
Exempt income from mutual fund investments	(2.10)	(0.37)
CSR expenses ( To the extent of amount disallowed)	0.59	0.37
Provision for EPCG Liability	0.25	3.28
Recognition of deferred tax assets arising on Demerger	0.00	5.08
Other Adjustments on account of exchange fluctuations.	0.13	1.04
Tax Benefit on employment of Additional manpower under Sec 80 JJAA	(0.04)	0.00
Reversal of provision pertaining to previous year	0.05	(31.84)
More DTL Provision due to change in tax rates	0.33	0.00
Tax on Capital Gains	21.26	0.00
Other Disallowances	0.40	0.00
Income Tax expense charged to P&L for the year	95.64	33.22
Income Tax expense charged to Other Comprehensive Income for the year	2.84	(2.99)
<b>Total Income Tax expense for the year</b>	<b>98.48</b>	<b>30.22</b>
Comprising:		
Current Tax	92.80	24.14
Deferred Tax	5.68	6.08

### 5.15 Trade Payables-Micro and Small Enterprises:

Based on data received from Vendors, the amount due to MSMED is ascertained as ₹ 42.75 Crores (PY: ₹45.05 Crores). There are no over dues.

### 5.16. Certain figures apparently do not add up because of rounding off, but are wholly accurate in themselves.

### 5.17. The Board of Directors of the Company have proposed a dividend @ ₹30/- per share amounting to ₹41.78 Crores including Dividend Distribution Tax of ₹7.12 Crores at this meeting, subject to the approval of the shareholders at the Annual General Meeting.

As per our report attached  
For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration Number : 003990S/S200018

For and on behalf of the board  
**T.T. Jagannathan**      **Chandru Kalro**  
Executive Chairman      Managing Director  
DIN No.: 00191522      DIN No.: 03474813

**Seethalakshmi M**  
Partner  
Membership No. 208545

**Arun K Thiagarajan**      **K.Shankaran**  
Director      Director & Whole-time Secretary  
DIN No.: 00292757      DIN No.: 00043205

**Place : Bengaluru**  
**Date : 21<sup>st</sup> May 2018**

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



# TTK Prestige Limited

## Statement containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

(₹ in Crores)  
Except for Exchange Rate

Sl.No	1	2	3
Name of the Subsidiary Company	TTK BRITISH HOLDINGS LIMITED(TTKBH)	HORWOOD HOMEWARES HOLDINGS LIMITED(HHH)	HORWOOD HOMEWARES LIMITED(HH)
Financial Year ending on	31-Mar-18	31-Mar-18	31-Mar-18
Reporting Currency	BRITISH POUNDS	BRITISH POUNDS	BRITISH POUNDS
Exchange Rate on the last day of the financial year	92.28	92.28	92.28
Share Capital	107.97	0.78	0.26
Reserves and Surplus	24.56	77.35	111.57
Total Assets	264.10	78.28	131.06
Total Liabilities (Excluding Share capital and Reserves)	131.57	0.15	19.23
Investments(Excluding investments made in subsidiaries)	-	-	-
Turnover	-	-	125.95
Profit/(Loss) before tax	(3.94)	(0.06)	12.68
Provision for tax	-	-	1.89
Profit/(Loss) after tax	(3.94)	(0.06)	10.79
Proposed Dividend	-	-	-
% of Shareholding	100%	100% held by TTKBH	100% held by HHH

#### Notes:

- Names of Subsidiaries which are yet to commence operations:- Not Applicable.
- Names of Subsidiaries which have been liquidated or sold during the year:- Not Applicable.
- The above information is based on unaudited results of the Subsidiaries.

### Part "B": Associates and Joint Ventures

**Part B is not applicable as the company does not have any Associates or Joint Ventures.**

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

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

**Arun K Thiagarajan**  
Director  
DIN No.: 00292757

**K.Shankaran**  
Director & Whole-time Secretary  
DIN No.: 00043205

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

**Place : Bengaluru**  
**Date : 21st May 2018**



## HISTORICAL FINANCIAL HIGHLIGHTS - STANDALONE

Prepared as per conventional method to facilitate comparison

(₹ in Crores)

HISTORICAL DATA	2017-18	2016-17	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
<b>PERFORMANCE</b>										
1 Total Income	1862.42	1,689.80	1568.42	1426.52	1331.25	1390.62	1127.19	779.88	517.94	416.71
2 Profit before Interest, Depreciation, Extra ordinary items & tax	248.54	201.65	192.07	154.34	168.10	208.46	175.92	125.95	76.16	38.13
3 Interest	1.74	5.13	1.84	4.47	8.54	14.26	6.41	0.75	1.14	5.65
4 Depreciation	25.14	25.30	20.92	19.01	14.77	8.99	6.25	4.26	3.59	3.48
5 Profit / (Loss) before extra ordinary items	221.66	171.22	169.31	130.86	144.79	185.21	163.26	120.94	71.43	29.00
6 Extra - ordinary \Exceptional Items	128.96	1.77	-3.74	2.44	6.96	0.00	0.00	(0.59)	3.97	0.00
7 Profit before tax	350.62	172.99	165.57	133.30	151.75	185.20	163.26	120.35	75.40	0.29
8 Taxation Provision	93.75	29.99	50.75	40.98	39.96	52.11	49.88	36.60	22.97	6.62
9 Profit After tax	256.87	143.00	114.82	92.32	111.79	133.09	113.38	83.75	52.44	22.38
10 Other Comprehensive Income	0.24	(0.43)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11 Total Comprehensive Income for the period	257.11	142.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12 Dividend**	34.66	31.34	31.43	25.61	23.28	19.85	16.98	14.15	11.32	5.66
13 Dividend Tax	7.12	6.38	6.40	5.22	3.96	3.37	2.75	2.30	1.88	0.96
14 Dividend %**	300%	270%	270.00	220.00	200.00	175.00	150.00	125.00	100.00	50.00
<b>Sources &amp; Application of Funds</b>										
<b>Sources</b>										
1 Share Capital	11.56	11.66	11.65	11.65	11.65	11.35	11.33	11.33	11.33	11.33
2 Reserves & surplus	994.09	845.44	711.30	634.31	573.66	384.11	273.94	180.15	112.84	73.31
3 Loan Funds	0.00	0.00	0.00	0.00	26.90	115.11	79.41	2.25	2.80	20.69
<b>Total</b>	<b>1,005.65</b>	<b>857.10</b>	<b>722.95</b>	<b>645.96</b>	<b>612.21</b>	<b>510.57</b>	<b>364.68</b>	<b>193.73</b>	<b>126.97</b>	<b>105.33</b>
<b>Application</b>										
4 Fixed Assets WDV incl assets kept for disposal	362.55	395.84	359.13	362.92	363.92	321.02	237.61	91.43	64.00	59.57
5 Investments	110.01	97.11	0.02	0.02	0.02	0.02	0.02	22.58	0.39	0.39
6 Net Current Assets	574.07	402.16	392.95	309.01	268.80	199.65	133.86	82.98	65.69	48.51
7 Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 Deferred Tax Asset(Liability)	(40.98)	(38.01)	(29.15)	(25.99)	(20.53)	(10.12)	(6.81)	(3.26)	(3.11)	(3.14)
<b>Total</b>	<b>1,005.65</b>	<b>857.10</b>	<b>722.95</b>	<b>645.96</b>	<b>612.21</b>	<b>510.57</b>	<b>364.68</b>	<b>193.73</b>	<b>126.97</b>	<b>105.33</b>

Note: \*\* For the Year 2017-18 Dividend is proposed.





**TTK PRESTIGE LIMITED**

Regd. Office: Plot No. 38, SIPCOT Industrial Complex, Hosur - 635126, TamilNadu  
 CIN:L85110TZ1955PLC015049, Web: www.ttkprestige.com, Email: investorhelp@ttkprestige.com

FORM NO. MGT 11

**PROXY FORM**

Name of the member(s)
Registered address:
Email ID:
Folio/DP-ID - Client ID No.

I/We, being member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

- 1) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Email ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;
- 2) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Email ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;
- 3) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Email ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

as my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the 62<sup>nd</sup> Annual General Meeting of the Company, to be held on Wednesday, 25<sup>th</sup> July, 2018, at 11.45 a.m. at Hotel Claresta Sarovar Portico, SIPCOT Phase II, Bengaluru Road, Hosur-635109 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resloution No.	RESOLUTIONS	Type of Resolution	Optional*		
			For	Against	Abstain
<b>Ordinary Business</b>					
1.	Adoption of Financial statements for the year ended 31st March, 2018	Ordinary			
2.	Declaration of final dividend for the Financial year 2017-18	Ordinary			
3.	Re-appointment of Mr K. Shankaran who retires by rotation	Ordinary			
<b>Special Business</b>					
4.	Approval of Remuneration to Cost Auditors	Ordinary			
5.	Appointment of Mr. T.T. Jagannathan as Director	Ordinary			
6.	Appointment of Mr. T.T. Jagannathan as Executive Chairman	Special			
7.	Approval for continuation of current term of Mr. R. Srinivasan as Independent Director	Special			
8.	Approval for continuation of current term of (Dr.) Mrs. Vandana Walvekar as Independent Director	Special			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

P.T.O.

## TTK Prestige Limited

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company act, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 62<sup>nd</sup> Annual General Meeting.
3. \*It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you do not fill any column, your Proxy will be titled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

**TTK PRESTIGE LIMITED**

(CIN:L85110TZ1955PLC015049)

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

**62<sup>nd</sup> ANNUAL GENERAL MEETING – 25<sup>th</sup> JULY, 2018**

Member's Folio/DP ID-Client ID No.	
Member's/Proxy's name in Block Letter	
No. of Shares held	

I/We hereby record my/our presence at the 62<sup>nd</sup> Annual General Meeting of the Company Claresta Sarvovar Portico,SIPCOT Phase II, Bangalore Road, Hosur - 635109 on Wednesday 25<sup>th</sup> July, 2018, 11.45 a.m.

\_\_\_\_\_  
Member's/Proxy's Signature

**Note:**

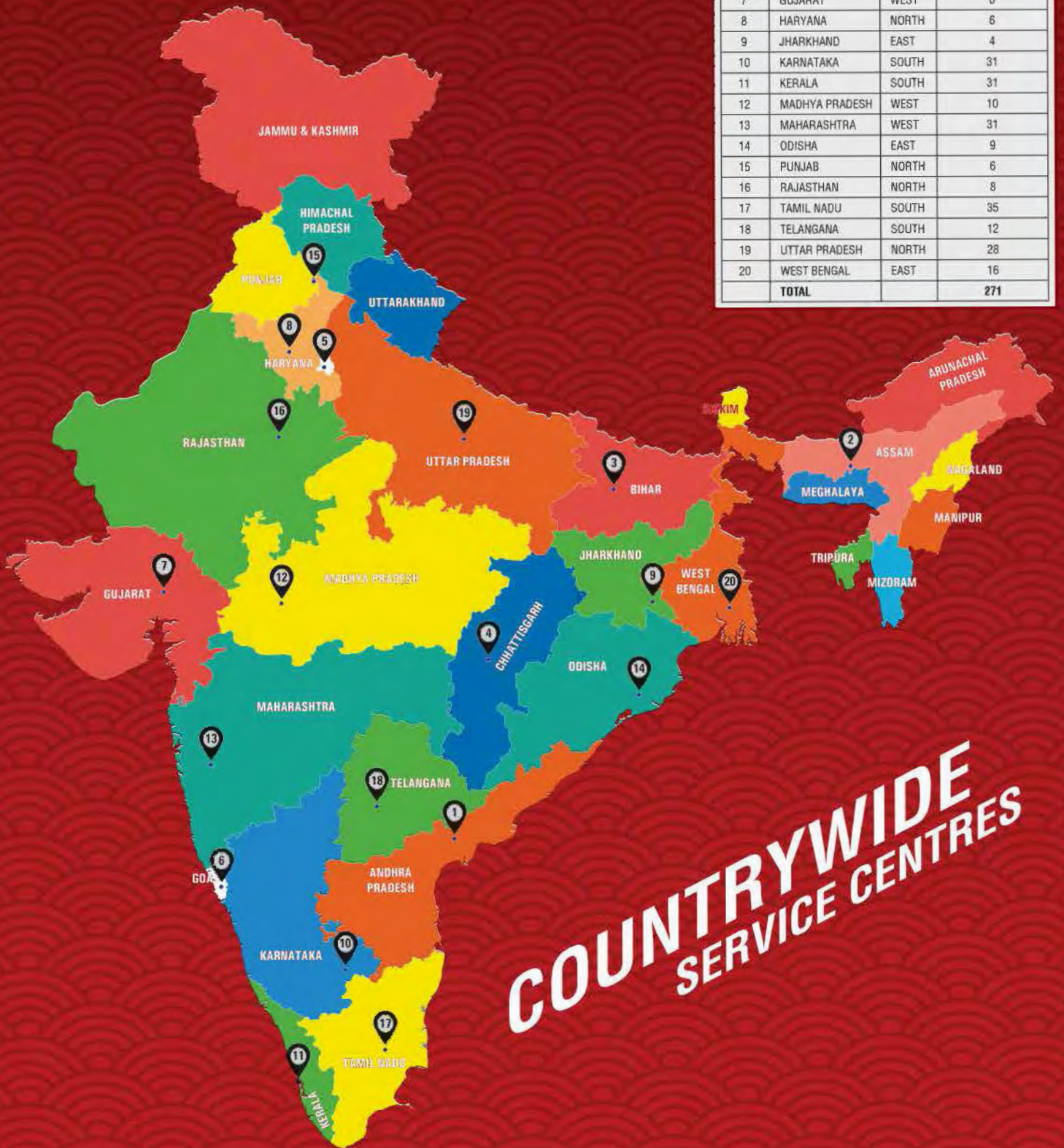
Please complete the Folio/DP ID-Client ID and name, sign this Attendance Slip and hand it over at th Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.







S. NO.	RSC LOCATION	REGION	TOTAL NO. OF ASC OPERATIONAL (15.06.18)
1	ANDHRA PRADESH	SOUTH	14
2	ASSAM	EAST	13
3	BIHAR	EAST	2
4	CHATTISGARH	WEST	1
5	DELHI	NORTH	5
6	GOA	SOUTH	3
7	GUJARAT	WEST	6
8	HARYANA	NORTH	6
9	JHARKHAND	EAST	4
10	KARNATAKA	SOUTH	31
11	KERALA	SOUTH	31
12	MADHYA PRADESH	WEST	10
13	MAHARASHTRA	WEST	31
14	ODISHA	EAST	9
15	PUNJAB	NORTH	6
16	RAJASTHAN	NORTH	8
17	TAMIL NADU	SOUTH	35
18	TELANGANA	SOUTH	12
19	UTTAR PRADESH	NORTH	28
20	WEST BENGAL	EAST	16
	<b>TOTAL</b>		<b>271</b>



**COUNTRYWIDE  
SERVICE CENTRES**



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# TTK Prestige

L I M I T E D

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CIN:L85110TZ1955PLC015049

Corporate Office: TTK Prestige Limited, 11th Floor, Brigade Towers, 135, Brigade Road, Bangalore – 560025.

Phone: 080-22217438/39 | Email: [customercare@tkprestige.com](mailto:customercare@tkprestige.com)

Registered Office: Plot No. 38, SIPCOT Industrial Complex, Hosur – 635126, Tamil Nadu, India.

Email: [investorhelp@tkprestige.com](mailto:investorhelp@tkprestige.com)

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



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