

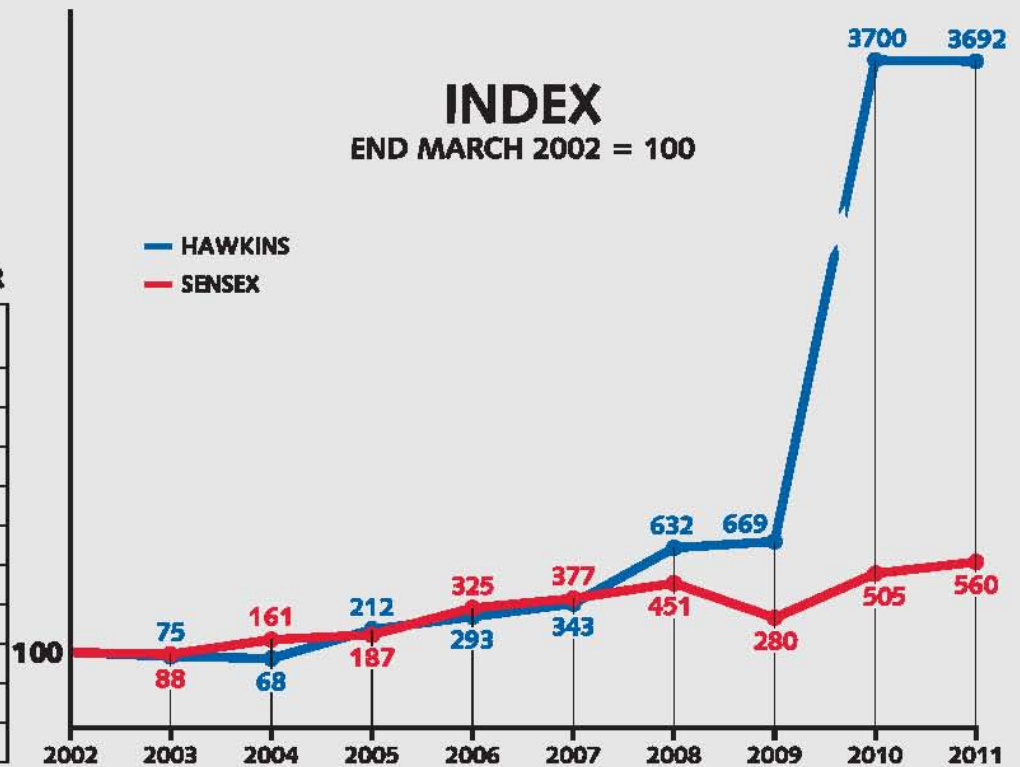


Hawkins Cookers Limited Annual Report 2010-11

TEN YEARS TO END MARCH 2011

**HAWKINS PRICE
IN RUPEES PER SHARE
VERSUS SENSEX
AT END MARCH OF EACH YEAR**

END MARCH	HAWKINS ₹/SHARE	SENSEX
2002	24	3469
2003	18	3049
2004	16	5591
2005	51	6493
2006	71	11280
2007	83	13072
2008	153	15644
2009	162	9709
2010	897	17528
2011	895	19445

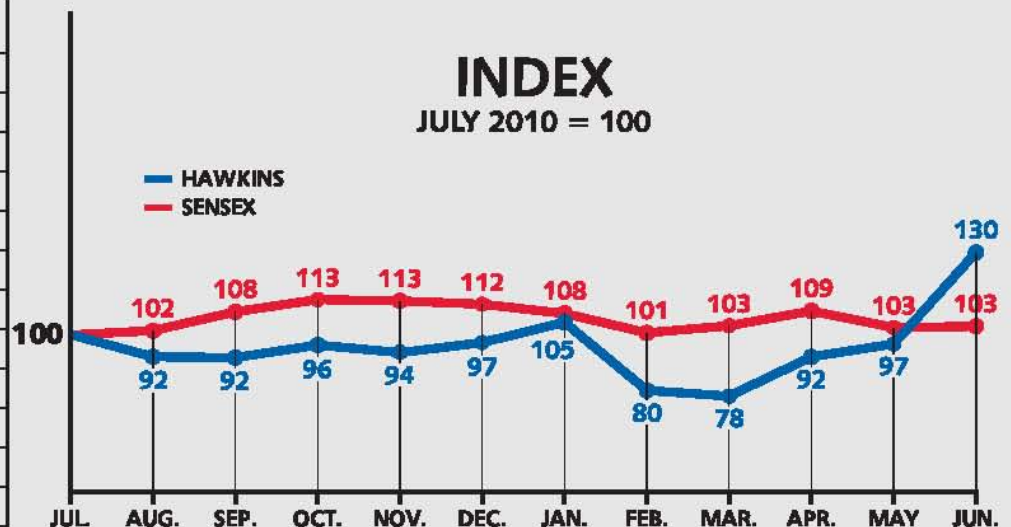


**HAWKINS AVERAGE PRICE
IN RUPEES PER SHARE
VERSUS SENSEX AVERAGE
DURING EACH MONTH**

MONTH	HAWKINS ₹/SHARE	SENSEX
JULY '10	1120	17848
AUG. '10	1033	18177
SEP. '10	1029	19353
OCT. '10	1081	20250
NOV. '10	1050	20126
DEC. '10	1090	19928
JAN. '11	1174	19289
FEB. '11	891	18037
MAR. '11	871	18457
APR. '11	1036	19450
MAY '11	1085	18325
JUNE '11*	1457	18377

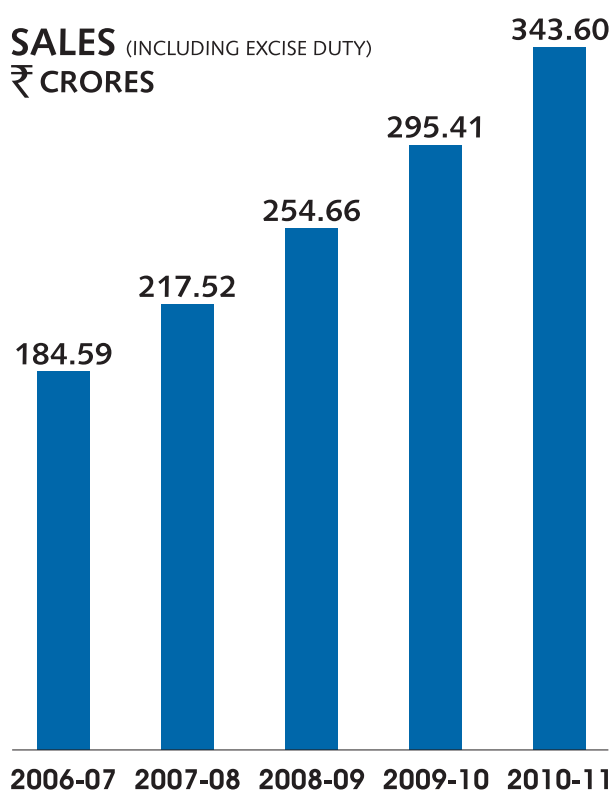
* Upto 15th

MONTHWISE AVERAGE DAILY CLOSING PRICE FROM JULY 2010 TO JUNE 15, 2011

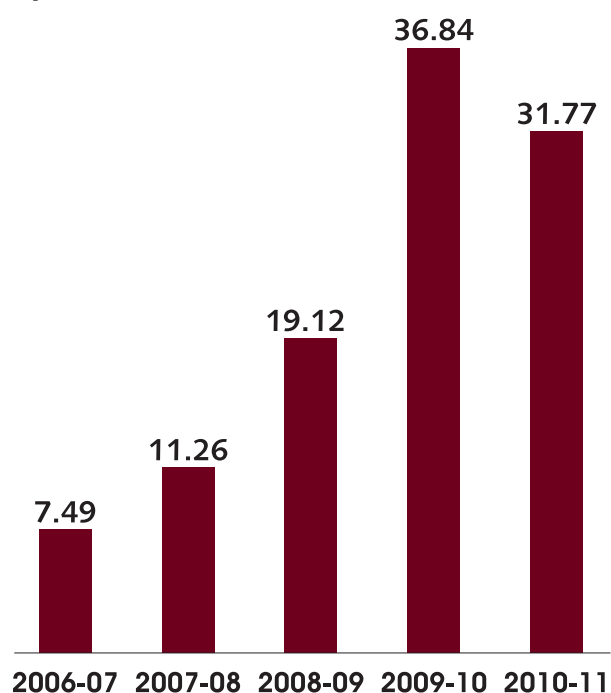


FINANCIAL PERFORMANCE: LAST FIVE YEARS

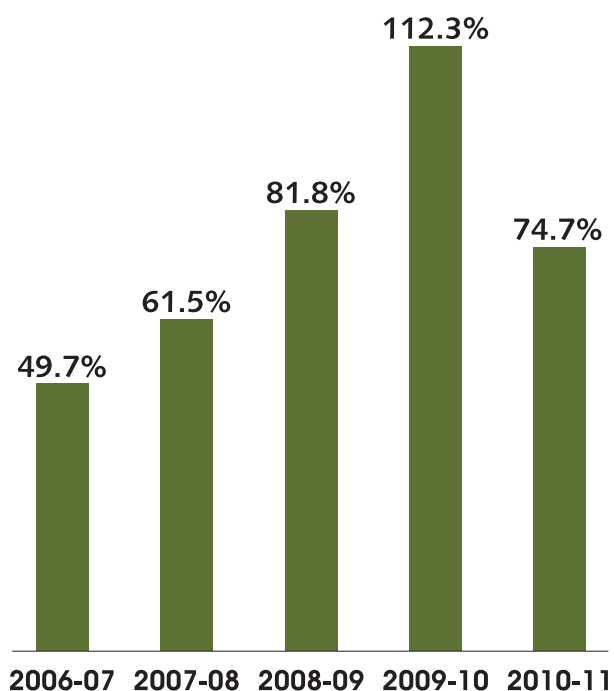
SALES (INCLUDING EXCISE DUTY) ₹ CRORES



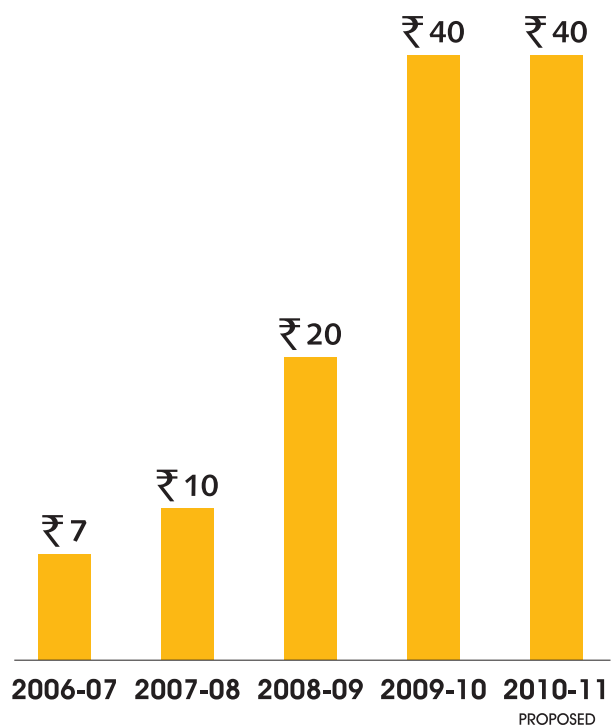
PROFIT AFTER TAX ₹ CRORES



RETURN ON NET WORTH



DIVIDEND RUPEES PER SHARE



HAWKINS COOKERS LIMITED ANNUAL REPORT 2010-11

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Recent Product Launches	Back Cover

BOARD OF DIRECTORS

J. M. Mukhi	Shishir K. Diwanji	Gerson da Cunha	Gen. V. N. Sharma (Retd.)	B. K. Khare
S. Dutta Choudhury	M. A. Teckchandani	K. K. Kaul		
VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER	EXECUTIVE DIRECTOR – FINANCE & ADMINISTRATION	EXECUTIVE DIRECTOR – OPERATIONS		
Brahm Vasudeva				
CHAIRMAN				

COMPANY SECRETARY

Hutoxi Bhesania

AUDITORS

Deloitte Haskins & Sells

REGISTERED OFFICE

Maker Tower F 101, Cuffe Parade, Mumbai 400 005 India
Tel: 2218 66 07 Fax: 2218 11 90
www.hawkinscookers.com

SOLICITORS

Crawford Bayley & Co.

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. Shastri Marg, Bhandup (West), Mumbai 400 078
Tel: 2596 38 38 / 2594 69 70 Fax: 2596 26 91
email: rnt.helpdesk@linkintime.co.in

BANKERS

Dena Bank
Punjab National Bank
The Saraswat Co-operative Bank Limited
Corporation Bank

DIRECTORS' REPORT TO SHAREHOLDERS

We have the honour to present our fifty-first Annual Report and Audited Statement of Accounts for the year ended March 31, 2011.

2010-11 OPERATIONS: MAIN RESULTS

We are happy to report that sales are the highest ever: sales (including excise duty) in 2010-11 were ₹3436 million; sales net of excise duty were ₹3315 million, up 16% over the previous year. Profit before tax was ₹475.5 million, 15% less than the previous year. Net profit after tax for the year was ₹317.7 million, 14% less than the previous year. It should be remembered that in the previous year, 2009-10, profit before tax was up 90% and profit after tax was up 93% over its previous year, 2008-09. In the year under report, 2010-11, notwithstanding the lesser profits before and after tax than in 2009-10, the Return on Capital Employed was 53% and the Return on Net Worth was 75%.

MANAGEMENT DISCUSSION AND ANALYSIS

Profit before tax as a percentage of sales in 2010-11 was 13.8% as against 18.9% in the previous year. Profit after tax as a percentage of sales in 2010-11 was 9.2% as against 12.5% in the previous year. The reduction in margins is mainly because of increase in prices of materials by 16% during the year led by an increase in the average price of aluminium of 18%. Consequent to the increase in input costs, we have effected two price increases in our products of about 6% each during the financial year.

Pressure cooker sales volume increased by 12.5% and sales value by 17.6% over the previous year. Despite our pressure cooker production increasing from 28 lakh units to 31.4 lakh units, we were not able to supply fully the demand for our pressure cookers. Similarly in cookware our demand has been substantially more than our ability to supply. Management is working with full vigour to increase supply to match demand.

One new pressure cooker model was introduced in 2010-11 and was well received in the market – sales of this model in the aggregate were 21,000 units.

Cash flow during the year, taking into account operating, investing and financing activities, was comfortable. The increase in cash and bank deposits at the end of the year is ₹61 million over the opening balance of ₹407 million. The cash and bank deposits as on March 31, 2011, is

₹468 million. We have plans to utilise these funds appropriately.

The number of employees as on March 31, 2011, is 889. Morale of employees is high. Industrial relations are normal except for a section of workmen in our Jaunpur plant who seem to be indulging in a "go-slow". Management is taking appropriate action in the matter. Long-term settlements with our workers and staff in our plants and offices are being negotiated presently. We appreciate very much the contribution of the vast majority of our employees to the successful working of your Company.

Control Systems

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

Risks and Concerns

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

Threats and Opportunities

The general inflationary trend in the Indian economy is a cause for concern. While the London Metal Exchange price trend for aluminium in the current quarter (June 2011) seems to have reached a plateau, it may once again move up irrationally and pose a threat. Management continues to diligently watch these trends and seeks effective cost controls and necessary adjustment in prices as needed from time to time.

The continuing vitality of our brands – Hawkins, Futura and Miss Mary – and the general, buoyant growth rate of the Indian economy augur well for your Company.

Outlook

In our judgement, the outlook for our business is excellent. We are well-positioned to take advantage of the growth of demand in our markets competitively and to increase our sales and profits handsomely.

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

2010-11 OPERATIONS: OTHER ASPECTS

FOB value of exports was ₹124.3 million, up 8% over the previous year. Foreign Exchange used in the year under report was ₹29.4 million (previous year: ₹6.9 million).

Information as per Section 217(2A) of the Companies Act, 1956, is given in **Appendix I**.

We have obtained Recognition from the Department of Science and Industrial Research for our in-house Research & Development unit. The expenditure on Research & Development was ₹9.5 million, (previous year: ₹10.2 million) – down by 7%. Required details are given in **Appendix II**. Efforts continue in our factories and offices to save energy wherever possible.

None of the fixed deposits maturing for payment prior to March 31, 2011, remained unclaimed as on that date.

DIVIDEND AND APPROPRIATIONS

We are pleased to recommend Rupees Forty per Share as dividend at the rate of 400% (previous year: Rupees Forty per share). Our recommendation takes into account the profitability, circumstances and requirements of the business.

Out of the amount available for appropriation of ₹478.9 million (previous year: ₹457.8 million), we propose

- ₹211.5 million as provision for dividend (previous year: ₹211.5 million)
- tax on proposed dividend ₹34.3 million (previous year: ₹35.1 million)
- ₹50.0 million transfer to General Reserve (previous year: ₹50.0 million) and
- ₹183.0 million as surplus carried to the Balance Sheet (previous year: ₹161.2 million).

DIRECTORS' RESPONSIBILITY STATEMENT

The Board confirms that:

1. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

2. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and proper explanation given relating to material departures. The directors have prepared the Annual Accounts on a going-concern basis.

3. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

Code of Conduct

The Board has formulated a Code of Conduct for all Directors of the Board and Senior Managers of the Company. This Code has been posted on the website of the Company. All Directors and Senior Management Personnel have affirmed compliance with the Code. A declaration to this effect signed by the Vice-Chairman and Chief Executive Officer of the Company appears elsewhere in this Annual Report.

Corporate Governance

A separate section on Corporate Governance forms part of our Report. A Certificate has been received from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. Both appear elsewhere in the Annual Report.

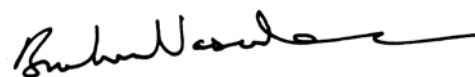
DIRECTORS

Mr. J. M. Mukhi, Director retires by rotation and, being eligible, offers himself for reappointment for which a suitable resolution is proposed for your approval. General V.N. Sharma (Retired) retires by rotation and, being eligible, offers himself for reappointment for which a suitable resolution is proposed for your approval.

AUDITORS

Messrs. Deloitte Haskins & Sells retire and, being eligible, offer themselves for reappointment.

ON BEHALF OF THE BOARD OF DIRECTORS



Mumbai
June 21, 2011

BRAHM VASUDEVA
CHAIRMAN

DIRECTORS' REPORT: APPENDIX I

Information as per Section 217 (2A) read with Companies (Particulars of Employees) Rules, 1975, and forming part of the Directors' Report for the year ended March 31, 2011

SR. NO.	NAME	AGE	DESIGNATION NATURE OF DUTIES	GROSS REMUNERATION ₹	QUALIFICATION	EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT	
								NAME OF EMPLOYER	POSITION HELD
1.	S. Dutta Choudhury	43	Vice-Chairman & Chief Executive Officer	12,536,002	B. Tech Degree Electrical Engineering, IIT, Kharagpur Post Graduate Diploma in Business Administration, IIM, Calcutta	19	18.5.1992	-	-
2.	M. A. Teckchandani	63	Executive Director - Operations upto May 31, 2010 Executive Director - Finance & Administration w.e.f. June 1, 2010	8,284,287	B. E. (Electrical), Post Graduate Diploma in Business Administration, IIM, Ahmedabad	39	16.8.1983	Bright Brothers Ltd.	General Manager Finance
3.	K. K. Kaul	56	Executive Vice President - Technical upto May 31, 2010 Executive Director - Operations w.e.f. June 1, 2010	7,997,821	B. E. (Hons.) (Mechanical), BITS, Pilani Post Graduate Diploma in Industrial Engineering	31	26.12.1984	Premier Automobiles Ltd.	Assistant Manager - Material Planning and Control

DIRECTORS' REPORT: APPENDIX II

Research & Development

Specific areas in which R&D efforts have been carried out: Quality improvement of existing products and design of new products. Benefits derived as a result: launch of new products plus design and quality improvement/cost reduction in existing products. Future plan of action: we intend to support the R&D Centre and the Test Kitchen to meet corporate objectives for quality improvement, cost reduction and introduction of new products and consumer service and support.

Capital expenditure on R&D: ₹0.10 million. Recurring expenditure: ₹9.4 million, 0.3% of total turnover (previous year: ₹10.1 million, 0.3%).

Technology Absorption, Adaptation & Innovation

Efforts made: The Company has relied upon internal generation. No technology has been imported for the last five years. As of 1st April, 2010, the Company had 67 valid patents and design registrations in force in 5 countries. During the year 2010-11, 2 design registrations were granted. Benefits derived: as described above.

COMPLIANCE WITH THE CODE OF CONDUCT

The Board has formulated a Code of Conduct for all Directors and Senior Managers of the Company which has been posted on the website of the Company. It is hereby affirmed that all Directors and Senior Managers have complied with the Code of Conduct framed by the Company and a confirmation to this effect for the year 2010-11 has been obtained from all Directors and Senior Managers. There is no instance of non-compliance.

BY ORDER OF THE BOARD OF DIRECTORS



SUBHADIP DUTTA CHOUDHURY
VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER

Mumbai
May 27, 2011

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Hawkins Cookers Limited

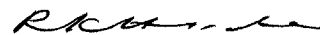
We have examined the compliance of the conditions of Corporate Governance by Hawkins Cookers Limited, for the year ended on March 31, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Limited, Mumbai (hereinafter referred to as clause 49).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and management, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in clause 49.

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

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)



Rajesh K. Hiranandani
Partner
(Membership No. 36920)

Mumbai
June 21, 2011

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy

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

Board of Directors

The Board of Directors comprises of a Non-Executive Chairman, a Vice-Chairman & Chief Executive Officer, two other Executive Directors and five independent, non-executive Directors. During the year, four Board Meetings were held: on May 29, July 29 and October 30, 2010 and January 29, 2011. Directors' attendance record and other details are as follows:

Name	Position	Board Meetings Attended	Whether Attended Last AGM	Director of Other Companies	Other Company's Board Committee
Brahm Vasudeva	Promoter, Non-Executive Chairman	4	Yes	1	None
Subhadip Dutta Choudhury	Vice-Chairman & Chief Executive Officer, Executive Director	4	Yes	None	None
M. A. Teckchandani	Executive Director - Finance & Administration	4	No Note 1	None	None
K. K. Kaul	Executive Director - Operations	3 Note 2	Yes	None	None
J. M. Mukhi	Independent Director	4	Yes	1	None
Shishir K. Diwanji	Independent Director	4	Yes	6	4 (including one as Chairman)
Gerson da Cunha	Independent Director	3	Yes	1	None
General V. N. Sharma (Retd.)	Independent Director	3	Yes	None	None
B. K. Khare	Independent Director	3	No Note 3	5	1 (as Chairman)

Notes: 1. Owing to his attending to an urgent Company matter at that time.

2. There were only three meetings since his appointment.

3. Owing to his not feeling well at that time.

Audit Committee

The Audit Committee is charged with the responsibility to oversee the Company's financial reporting process and disclosures; to recommend the appointment of Statutory Auditors and the fixation of their fees; to review and discuss with the Auditors regarding the scope of audit including the observations of the Auditors; to review the internal control system, the adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and the Listing Agreement entered into with the Stock Exchange and other legal requirements concerning financial statements and related party transactions, if any; to discuss with the internal Auditors any significant findings for follow-up thereon; to review the Company's financial and risk management policies; and to review the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and noted or acted upon, as required.

The Audit Committee consists of four independent, non-executive Directors. The Audit Committee met four times during the year and the attendance of Members at the Meetings was as follows:

Name of Director	Number of Meetings Attended
B. K. Khare, Chairman	3
Shishir K. Diwanji	4
Gerson da Cunha	2
General V. N. Sharma (Retd.)	3

Remuneration Committee

The Remuneration Committee consists of four independent non-executive Directors: Mr. J. M. Mukhi, Chairman, Mr. Shishir K. Diwanji, Mr. Gerson da Cunha and Mr. B. K. Khare. The role of the Remuneration Committee is to approve the remuneration of Wholetime Directors under Section II of Part II of Schedule XIII of the Companies Act, 1956, in the event of no profits or inadequate profits. During the year 2010-11, one meeting of the Remuneration Committee was held on May 29, 2010, at which all the members of the Committee except Mr. Gerson da Cunha were present.

Directors' Remuneration

The remuneration of executive directors for the year 2010-11 is as per the table below:

Director	Salary	Provident Fund, Superannuation & Gratuity	Perquisites & Allowances	Commission	Total	Contract Period
	₹	₹	₹	₹	₹	
S. Dutta Choudhury	2,333,332	750,192	109,044	9,343,434	12,536,002	1.8.2010 to 31.7.2013
M. A. Teckchandani	1,915,833	618,237	163,710	5,586,507	8,284,287	12.11.2010 to 11.11.2013
K. K. Kaul	1,500,000	489,135	937,714	4,245,746	7,172,595	1.6.2010 to 31.5.2013

Benefits extended to Mr. Brahm Vasudeva, Chairman of the Board, for his Advisory Services for the year 2010-11 (as per contract approved by the Members at the 45th Annual General Meeting of the Company held on 29th July, 2005) were ₹83,874. In addition, an office has been provided to the non-executive Chairman at the registered office of the Company.

The Board, at its meeting held on May 27, 2011, resolved to pay commissions to the non-executive Directors for the year 2010-11 amounting to ₹5,097,688 in the aggregate which is 1% of the applicable net profit of the Company as per Section 309(5) of the Companies Act, 1956. The Board further resolved to distribute the said amount amongst the non-executive Directors as noted in the table below which also shows the sitting fees paid:

Director	Commission Payable For The Year 2010-11 ₹	Board Meeting Fees ₹	Committee Meeting Fees ₹	Total ₹
Brahm Vasudeva	849,614	80,000	45,000	974,614
J. M. Mukhi	849,615	80,000	15,000	944,615
Shishir K. Diwanji	849,615	80,000	240,000	1,169,615
Gerson da Cunha	849,615	60,000	165,000	1,074,615
General V. N. Sharma (Retd.)	849,615	60,000	45,000	954,615
B. K. Khare	849,614	60,000	75,000	984,614

Shareholding of Non-executive Directors as at 31.3.2011

Director	Number of Shares Held
Brahm Vasudeva	1,832,032
Shishir K. Diwanji	2,475
J. M. Mukhi	5,345