



Hawkins Cookers Limited

Registered Office: Maker Tower F 101, Cuffe Parade, Mumbai 400005.

CIN: L28997MH1959PLC011304 □ Tel: 022-2218 6607, 2218 1605 □ Fax: 022-2218 1190

Website: www.hawkinscookers.com □ Email: ho@hawkinscookers.com

NOTICE TO SHAREHOLDERS FOR THE 60TH AGM OF THE COMPANY

NOTICE is hereby given that the 60th Annual General Meeting of the shareholders of the Company will be held on Wednesday, the 5th day of August, 2020, through Video Conference/Other Audio Visual Means at 4:00 pm (IST) to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020, and the Directors' and Auditors' Reports thereon.

2. To appoint a Director in place of Mrs. Susan M. Vasudeva (DIN:06935629), who retires by rotation, and, being eligible, offers herself for re-appointment as a Director of the Company.

Special Business

3. To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED that pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, and Article 130A of the Articles of Association of the Company, the Company be and is hereby authorised to pay commission not exceeding one percent of the net profits of the Company as computed in the manner prescribed in Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, to Non-Wholtime Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all aspects as may be decided by the Board of Directors ("the Board") whether such amounts or proportions be the same or different for all or any of such Directors."

"RESOLVED FURTHER that the aforesaid commission shall be exclusive of the fees payable to such Directors for professional services rendered and for each meeting of the Board or of a Committee or Sub-Committee of the Board attended by such Directors."

"RESOLVED FURTHER that this resolution shall be effective for a period of five years commencing from April 1, 2020."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take such steps as may be necessary, to give effect to this resolution."

4. To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

"RESOLVED that pursuant to the provisions of Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the Members of the Company and the Public within the limits prescribed in the Act and the overall borrowing limits of the Company as approved by the Members from time to time."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to finalise the scheme for the invitation and acceptance of fixed deposits from the Members of the Company and the Public and to sign and execute deeds, applications and documents that may be required on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental to give effect to this resolution."

By Order of the Board

Mumbai
July 3, 2020

Hutoxi Bhesania
Company Secretary

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 20/2020 dated May 5, 2020, read with Circular No.14/2020 dated April 8, 2020, and Circular No. 17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs (MCA) and Circular dated May 12, 2020, issued by the Securities and Exchange Board of India (SEBI), hereinafter collectively referred to as "Circulars", Companies are allowed to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020 and hence physical attendance of the Members at the AGM venue is not required. The 60th AGM of the Company shall be conducted through VC or OAVM in accordance with the aforesaid Circulars.

2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and up to 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Procedure for joining the AGM through VC/OAVM:

4.1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL. For any assistance with using the technology before or during the Meeting you may contact NSDL at the following no. 91 22 24994360 or Mr. Amit Vishal or Mr. Sagar S. Gudhate or Ms. Pallavi Mhatre of NSDL at the following nos.: 91 9920264780; 91 7506682282; 91 7506682281.

4.2. Members are encouraged to join the Meeting through Laptops for better experience.

4.3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4.4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report for the year 2019-20 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company or their Depository Participants. In addition, physical copies of the said Notice and the Annual Report are being sent by courier to all our Members at their registered mail address.

7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.hawkinscookers.com/download/NoticeOfAGM2020.pdf>. The Notice can also be accessed from the website of BSE Limited at www.bseindia.com and the website of NSDL at www.evoting.nsdl.com.

8. Members holding shares in physical mode and who have not registered their email addresses with the Company are requested to register their email addresses with the Company's Share Transfer Agent, Link Intime India Pvt. Ltd., at https://linkintime.co.in/emailreg/email_register.html. Members holding shares in dematerialized mode are requested to register/update their email addresses with their Depository Participants.

9. As mandated by the Securities and Exchange Board of India (SEBI) effective April 1, 2019, requests for effecting transfer of shares (except in case of transmission or transposition of shares) shall not be processed unless the shares are held in a dematerialized form with a depository. Members are advised to dematerialize shares held by them in physical mode.

10. The Register of Members and Transfer Books will remain closed from July 30, 2020, to August 5, 2020, both days inclusive.

11. All documents referred to in the Notice calling the AGM and the Explanatory Statement will be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cosec@hawkinscookers.com.

12. Information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Director seeking re-appointment at the 60th Annual General Meeting in respect of Item No. 2. of the Notice and Explanatory Statement of the Special Business pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 3. and 4. of the Notice are given as follows:

Item No. 2. of the Notice: Re-appointment of Mrs. Susan M. Vasudeva, a Director retiring by rotation.

Mrs. Susan M. Vasudeva, 71, was appointed as a Director of the Company with effect from August 1, 2014. She graduated from the University of Washington in 1970 with a degree of Bachelor of Arts for which she studied, *inter alia*, Anthropology, Economics and History. She worked as a Flight Attendant in Pan American World Airways from 1970 to 1982. She is the wife of Mr. Brahm Vasudeva, the Chairman of the Board of Directors. She lives in Mumbai and usually travels abroad once a year, largely to assist at the Company's stall at the International Housewares Show in Chicago. She has also contributed significantly for many years in an honorary capacity in the development of Cookbooks and Instruction Manuals and to the testing and development of products in the Hawkins Test Kitchen. Mrs. Vasudeva is not a Director of any other Company. She does not hold any shares of Hawkins Cookers Limited.

Mrs. Susan M. Vasudeva had attended three out of the five Board Meetings held in the year 2019-20.

During the year 2019-20, Mrs. Susan M. Vasudeva was paid sitting fees of Rs.1.50 lakhs and commission of Rs.11.13 lakhs pertaining to the year 2018-19. For the year 2019-20, commission proposed to be paid to Mrs. Susan M. Vasudeva is Rs.11.95 lakhs.

Mrs. Susan M. Vasudeva would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, she would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

Mr. Brahm Vasudeva and Mrs. Susan M. Vasudeva, Directors, are interested in this resolution and their relatives may be deemed to be concerned and interested in the resolution. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in the resolution.

The Board of Directors recommends the Ordinary Resolution at Item No. 2. for your approval.

Item No. 3. of the Notice: Commission to Non-Wholetime Directors.

It is in your Company's interest to have the ability to retain and attract suitably qualified Non-Wholetime Directors. A special resolution was passed by the Members at the 55th Annual General Meeting held on August 6, 2015, authorising the Board of Directors to pay commission to Non-Wholetime Directors. This resolution was in effect from April 1, 2015, to March 31, 2020. A similar resolution is now proposed for a further period of five years commencing April 1, 2020, and up to March 31, 2025, to authorise the Board of Directors to pay commission to Non-Wholetime Directors, within the limits prescribed in the resolution and the Companies Act, 2013.

Mr. Brahm Vasudeva, Mr. J. M. Mukhi, Mr. Shishir K. Diwanji, Mr. Gerson da Cunha, General V. N. Sharma (Retd.), Mr. E. A. Kshirsagar, Mrs. Susan M. Vasudeva, Mr. Ravi Kant and Prof. Leena Chatterjee are interested in this resolution and their relatives may be deemed to be concerned and interested in the resolution. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in this resolution.

The Board of Directors recommends the Special Resolution at Item No. 3. for your approval.

Item No. 4. of the Notice: Acceptance of Fixed Deposits.

The Company has a Fixed Deposit Scheme, pursuant to the provisions of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, wherein it accepts unsecured deposits from the Members of the Company and the Public. The said scheme is valid up to the date of this 60th Annual General Meeting.

Along with complying with the conditions stated in Sections 73 and 76 of the Companies Act, 2013, approval of the shareholders is required for accepting deposits from the Members and the Public within the limits prescribed under the Companies (Acceptance of Deposits) Rules, 2014.

The Board of Directors at its Meeting (Serial No.20) held on May 21, 2020, has resolved to recommend to the Shareholders the acceptance of Fixed Deposits from the Members and the Public pursuant to Sections 73 and 76 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014. The Fixed Deposit Scheme would be credit rated on an annual basis as required under the said Act read with the said Rules. It is proposed to authorise the Board to finalise the terms of the Fixed Deposit Scheme and to do such other acts and deeds as may be necessary or incidental thereto.

None of the Directors of the Company are in any way concerned or interested in the said resolution. Key Managerial Personnel, Directors' Relatives and Relatives of Key Managerial Personnel are eligible to the benefits of the Scheme on the same terms and at the same rates as are applicable to the Members and the Public.

The Board of Directors recommends the Ordinary Resolution at Item No. 4. for your approval.

13. Procedure for remote e-voting and e-voting during the AGM

13.1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated April 8, 2020, April 13, 2020, and May 5, 2020, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using the remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

13.2. The instructions for remote e-voting are as under:

The remote e-voting period shall commence at 9:00 am on Saturday, August 1, 2020, and will end at 5:00 pm on Tuesday, August 4, 2020. The remote e-voting module shall be disabled by NSDL at 5:00 pm on August 4, 2020.

Step 1: Log-in to the NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on the NSDL e-voting system.

A. Details in respect of Step 1 to log-in to the NSDL e-voting system are given below:

1. Launch an Internet browser and open <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Click on the icon "Login" which is available under the 'Shareholders' section.
3. A new screen will open. Enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your User ID details are given below:
 - a) For Members who hold shares in a demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID.
 - b) For Members who hold shares in a demat account with CDSL: 16 Digit Beneficiary ID.
 - c) For Members holding shares in Physical Form: EVEN Number followed by the Folio Number registered with the company.
5. Your password details are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you as under:
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment named 'Hawkins Cookers e-Voting.pdf'. The password to open the said PDF file is your 8 digit Client ID for an NSDL account or the last 8 digits of Client ID for a CDSL account or the folio number for shares held in physical form. The said PDF file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow the following steps:
 1. In case shares are held in the physical mode please register your email address with the Company's Share Transfer Agent, Link Intime India Pvt. Ltd., at https://linkintime.co.in/emailreg/email_register.html by providing details such as Folio Number, Name of the Shareholder, Certificate No., PAN, Mobile No. and email address and uploading the required documents.

2. In case shares are held in the demat mode, please update your email address with your Depository Participant.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on **"Forgot User Details/ Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by the aforesaid two options, you can send a request by email to evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

8. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

9. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

10. Click on "Login" button. Home page of e-voting will open.

Note: Alternatively, if you are registered for NSDL eservices, i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2, i.e., Cast your vote electronically.

B. Details in respect of Step 2 to cast your vote electronically on the NSDL e-voting system are given below:

1. Click on e-voting. Then, click on "Active Voting Cycles".

2. Select the "EVEN" of Hawkins Cookers Limited.

3. Now you are ready for remote e-voting as the Voting page opens.

4. Cast your vote by selecting the appropriate option, that is, assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, along with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an email to scrutinizer@hawkinscookers.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on the toll free telephone number: 1800-222-990 or send a request by email to Mr. Amit Vishal or Mr. Sagar S. Gudhate or Ms. Pallavi Mhatre from NSDL at evoting@nsdl.co.in.

13.3. Procedure for e-voting on the day of the AGM is as under:

1. The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

2. Only those Members, who will be present in the AGM through the VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system in the AGM.

3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

13.4. The voting rights of the Members in respect of remote e-voting and voting at the AGM shall be in proportion to the number of equity shares held by them as on the cut-off date of July 29, 2020. Members are eligible to cast their vote electronically only if they are holding shares as on that date.

13.5. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, that is, July 29, 2020, may obtain the User ID and Password by sending a request to evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" options available on www.evoting.nsdl.com.

14. Mrs. Jayshree S. Joshi, Company Secretary in Practice (Membership No. F1451), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and also the e-voting at the AGM suitably.

15. The results shall be declared not later than forty-eight hours from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hawkinscookers.com and on the website of NSDL www.evoting.nsdl.com immediately after the results are declared and will simultaneously be forwarded to BSE Ltd., where the shares of the Company are listed and shall be displayed at the Registered Office of the Company.

16. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which Directors are interested shall be available for inspection after logging into the NSDL e-voting system at <https://www.evoting.nsdl.com>.

17. Dividends for the financial years ended March 31, 2013, and thereafter which remain unclaimed for a period of seven years will be transferred to the 'INVESTOR EDUCATION AND PROTECTION FUND' (IEPF) of the Central Government. Members who have not encashed their dividend warrant(s) for the financial year ended March 31, 2013, or thereafter are requested to contact the Company or the Company's Share Transfer Agent, Link Intime India Pvt. Ltd., with the relevant details on or before August 20, 2020, to duly claim their said dividend(s). Members may further note that, pursuant to Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all Shares on which dividend remains unclaimed for 7 (seven) consecutive years or more are liable to be transferred to the IEPF. Members are further advised that in terms of applicable provisions of the Act and the IEPF Rules, Unclaimed Dividends and Shares transferred to the IEPF can be claimed from the Fund after following the process prescribed in the said Rules.

By Order of the Board



Mumbai
July 3, 2020

Hutoxi Bhesania
Company Secretary

Hawkins Cookers Limited
Annual Report 2019-2020



Cook at Home



Over 100 recipes at www.hawkins.in/recipes
Over 700 recipes in Hawkins and Futura Cookbooks

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

(Except Price per Share and Dividend which are in Rupees)

All % Growth figures are over their previous years. 1 Crore = 10 Million.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Sales	487	512	553	653	674
% Growth Note 2	3.8	5.3	7.9	18.1	3.2
Profit Before Tax	61.09	70.97	73.81	82.34	98.35
% Growth Note 3	25.4	16.2	4.0	11.6	19.4
Profit After Tax	40.90	47.42	48.68	54.22	72.49
% Growth Note 3	23.8	15.9	2.6	11.4	33.7
Shareholders' Funds/Net Worth	93.40	102.97	108.25	114.22	129.13
% Growth Note 4	3.4	10.2	5.1	5.5	13.1
Return on Net Worth	44%	46%	45%	47%	56%
Dividend per share of Rs. 10	60	70	70	80	NIL
Price per share	2525	2932	2807	2949	4090
% Growth Note 6	7.9	16.1	-4.3	5.1	38.7

- Notes:**
1. In view of the uncertainties due to the impact of COVID-19, it was decided by the Board of Directors at its Meeting held on May 21, 2020, that it will not recommend any dividend at the moment for the year 2019-20. Once the situation is more clear, the Board may recommend a suitable dividend.
 2. Sales are shown exclusive of Excise Duty and including Other Operating Income to make them comparable.
 3. The Profit Before Tax and Profit After Tax (PAT) figures are as per Ind AS. The PAT in 2019-20 is higher due to the lower income tax rate opted for by the Company.
 4. Shareholders' Funds are the average of each year's opening and closing balances of the Paid-up Capital plus Reserves & Surplus and include the amount of the dividend proposed and the tax thereon as per Ind AS.
 5. Profit After Tax as a percentage of Net Worth.
 6. The average of the daily closing price per share for the three weeks ended June 30 following each financial year.

HAWKINS COOKERS LIMITED ANNUAL REPORT 2019-20

CONTENTS	PAGE
Cook at Home with Hawkins and Futura	Front Cover
Financial Performance: A Five-Year Summary	Inside Front Cover
Directors' Report	2
Business Responsibility Report	16
Corporate Governance Report	22
Auditors' Report	30
Balance Sheet	38
Statement of Profit & Loss	39
Statement of Changes in Equity	40
Statement of Cash Flows	41
Notes Forming part of the Financial Statements	42
Did you know? Your Hawkins can... • Kill Germs • Save up to 53% Fuel	Inside Back Cover
Hawkins New Products: Tri-Ply Stainless Steel	Back Cover

BOARD OF DIRECTORS

J. M. Mukhi Shishir K. Diwanji Gerson da Cunha Gen. V. N. Sharma (Retd.)

E. A. Kshirsagar Susan M. Vasudeva Ravi Kant Leena Chatterjee

S. Dutta Choudhury Brahm Vasudeva Sudeep Yadav
VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER CHAIRMAN EXECUTIVE DIRECTOR – FINANCE & ADMINISTRATION

COMPANY SECRETARY

Hutoxi Bhesania

AUDITORS

Kalyaniwalla & Mistry LLP

REGISTERED OFFICE

Maker Tower F 101, Cuffe Parade,
Mumbai 400 005 India
CIN: L28997MH1959PLC011304
Tel: 2218 66 07 Fax: 2218 11 90
email: ho@hawkinscookers.com

SOLICITORS

Crawford Bayley & Co.

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.,
C-101, 247 Park, L. B. Shastri Marg,
Vikhroli (West), Mumbai 400 083
Tel: 4918 62 70 Fax: 4918 60 60
email: hawkins.coenq@linkintime.co.in

BANKERS

Bank of Baroda (erstwhile Dena Bank)
Punjab National Bank
The Saraswat Co-operative Bank Limited
Corporation Bank

DIRECTORS' REPORT TO SHAREHOLDERS

We have the honour to present our Sixtieth Annual Report and Audited Statement of Accounts for the year ended March 31, 2020.

2019-20 Operations: Main Results

We are pleased to report good results despite the impact of Covid-19 in March, 2020. Once again, sales are the highest ever. Revenue from operations in 2019-20 was Rs.673.87 crores (up 3.2% over the previous year).

This year, profits are also the highest ever. Profit before tax was Rs.98.35 crores (19.4% higher than the previous year). Net profit after tax was Rs.72.49 crores (33.7% higher than the previous year). The percentage increase in net profits is higher than the percentage increase in profit before tax due to the Company choosing the lower rate of taxation as allowed by the Government.

Management Discussion and Analysis

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

The Government of India has made the ISI mark compulsory for all pressure cookers sold in India from February, 2021. Your Company is the undisputed leader on the aspect of quality and expects to gain from this development.

In 2019-20, sales grew at 12.8% till the December quarter. Our sales and production in the last quarter were impacted by the lockdown due to Covid-19.

We expect our products to do well once the lockdown is completely opened. We have successfully launched Tri-Ply Stainless Steel Cookware (see the back page of this Annual Report Cover) and a range of Pressure Cooker accessories. We improved our presence in the online segment, while improving the distribution and display amongst dealers and the Canteen Stores Department in the bazaar.

Our permanent employees as on April 1, 2019, were 645 and as on March 31, 2020, were 651 through normal attrition and recruitment. We have paid all employees their salaries during the time that our factories and offices were closed. The morale of our employees at all locations is high and industrial relations were and are normal. We well appreciate the contribution of our employees to the successful working of your Company.

Net profit after tax as a percentage of net sales in 2019-20 was 10.8% as against 8.3% in 2018-19. The average shareholders' funds/net worth grew to Rs.129.13 crores vs. Rs.114.22 crores in 2018-19. The net return after tax on shareholders' funds/net worth was 56% (in 2018-19: 47%). This is because of the better results and lower corporate tax.

Key Financial Ratios

The details of significant changes (25% or more) in the key financial ratios for the year 2019-20 as compared to the year 2018-19 are as follows:

Ratio	FY 2019-20	FY 2018-19	Formula used	Reason for change
Inventory Turnover Ratio (days)	63	47	Average of Opening and Closing Inventory/ Average Net Daily Revenue from Operations	The Covid-19 related national lockdown affected sales and production in the second half of March 2020.
Net Profit Margin (%)	10.8	8.3	Profit After Tax/ Net Revenue from Operations	Due to the lower rate of income tax opted for by the Company.

As at March 31, 2020, your Company is ranked 407 amongst the top 500 BSE listed Companies. The Company has taken the required steps of increased governance that is expected of such Companies.

Cash flow during the year was good. Cash and cash equivalents plus balances with banks on deposit accounts as on March 31, 2020, were Rs.42.57 crores (previous year: Rs.30.04 crores). We have plans to utilise these funds appropriately.

Control Systems

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

Risks and Concerns

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

The Board of Directors of the Company at their Meeting held on May 21, 2020, have constituted a Risk Management Committee. The details about the Risk Management Committee have been provided in the Corporate Governance section of the Annual Report.

Covid-19 has affected our operations. While the future impact of Covid-19 is difficult to predict, our capital and financial resources, liquidity position, supply chain and assets are healthy.

Opportunities and Threats

The demand for our brands augurs well for the future of the Company.

The operations of the Company were impacted due to the lockdown announced by the Government in March, 2020, and most of April, 2020. Both Sales and Production have partially resumed in May, 2020. The Company's factories situated at Hoshiarpur, Punjab, and Satharia, Jaunpur district, Uttar Pradesh, which had suspended operations with effect from March 22, 2020, and March 24, 2020, respectively, consequent to the lockdown announced by the Government, have resumed certain limited operations with effect from May 7, 2020, following the Government's regulations. In addition to the Canteen Stores Department, the Company had resumed supplies to its other customers, including Dealers and Online Retailers, as permitted by the Government's regulations. The Company's factory situated at Thane, Mumbai, which had suspended operations with effect from March 21, 2020, consequent to the lockdown announced by the Government, has resumed certain critical, continuous process operations with effect from June 18, 2020, following the Government's regulations. All our Marketing Office, Technical Office and Head Office employees in the Mumbai Metropolitan Region have continued to work from home during the lockdown. They also attend their respective Office on a need-to basis consequent to the Maharashtra Government allowing restricted resumption of private offices effective June 8, 2020. Various other steps have been taken by the Company to deal with Covid-19.

While the Covid-19 lockdown has adversely affected the demand and supply of our products in the short term, we expect to see an increase in demand due to more eating at home and more cooking at home once the lockdown is lifted fully which is an opportunity for your Company.

Raw material prices are subdued currently – which is beneficial for the Company. Management continues to diligently watch cost increase trends and seeks effective cost controls and necessary adjustment in prices as needed from time to time.

Outlook

We believe the outlook for our business is good under the circumstances. In this year, we have further strengthened the good reputation we have amongst our consumers and traders, associates and vendors. We believe that the impact of Covid-19, though it has hurt us in the short run, will be beneficial to us in the long run for our industry and our Company. We expect to continue to increase our sales and profits.

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

2019-20 Operations: Other Aspects

The value of exports at Rs. 40.24 crores in 2019-20 was up 6.5% over the previous year. Foreign Exchange used in 2019-20 was Rs. 1.23 crores (Rs. 5.96 crores in the previous year).

As our Research & Development Unit is recognised by the Department of Scientific and Industrial Research, our expenditure on R&D used to be eligible for the benefit of deductibility of expenses at the rate of 150% for the purpose of the computation of income tax subject to the necessary approvals by the Department of Scientific and Industrial Research and the Income Tax Department. However, in view of the much lower rate of taxation applicable if we don't take any deduction, we have chosen to forego this benefit. The expenditure on Research & Development in 2019-20 was Rs. 4.20 crores, 10.5% higher than the previous year. Required details are given in **Appendix I**.

Efforts continue in our factories and offices to save energy wherever possible.

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

- (a) Additional Amount accepted during the year: Rs. 1.39 crores.
- (b) Amounts remained unpaid or unclaimed as at the end of the year are Nil.
- (c) Defaults in repayment of deposits or payment of interest thereon are Nil.

Dividend Distribution Policy

The Board of Directors have adopted the Dividend Distribution Policy in terms of the requirements of Listing Regulations. The Policy is available on the website of the Company at <https://www.hawkinscookers.com/download/DividendDistributionPolicy.pdf>. The Dividend Distribution Policy is annexed as **Appendix II**.

Appropriations and Dividend

Out of the amount available for appropriation of Rs. 86.35 crores (previous year: Rs. 67.31 crores), we propose:

- Rs. 1.00 crore transfer to General Reserve (previous year: Rs. 2.00 crores) and
- Rs. 85.35 crores as surplus carried to the Balance Sheet (previous year: Rs. 65.31 crores).

In view of the uncertainties due to the impact of COVID-19, it was decided by the Board of Directors at its Meeting held on May 21, 2020, that it will not recommend any dividend at the moment for the year 2019-20. Once the situation is clearer, the Board may recommend a suitable dividend.

Directors' Responsibility Statement

The Board confirms that:

1. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

Directors' Report (Continued)

2. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and proper explanation given relating to material departures, if any. 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 as at the end of the financial year and of the profit and loss of the Company for that period.

4. Based on the framework of the internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

5. The Directors have devised proper systems that are adequate and operating effectively to ensure compliance with the provisions of all applicable laws.

Code of Conduct

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

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

The Company has constituted Internal Complaints Committees at each of the five locations of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress complaints received regarding sexual harassment. In the year 2019-20, no case of sexual harassment of women was filed under the said Act.

Business Responsibility Report

A separate section on Business Responsibility forms part of our Report describing the initiatives taken by the Company from an environmental, social and governance perspective. The Business Responsibility Policy has also been placed on the Company's website, which can be accessed at <https://www.hawkinscookers.com/download/BusinessResponsibilityPolicy.pdf>.

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 the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Both appear elsewhere in the Annual Report.

Directors

Prof. Leena Chatterjee of the Indian Institute of Management, Calcutta, was appointed by the Board as an Additional Director with effect from April 1, 2019, and was appointed by the shareholders on the recommendation of the Board as an Independent Director from August 6, 2019. The Board is pleased to state that her integrity, expertise and experience will assist the Board in its functioning.

Mr. J. M. Mukhi, Mr. Shishir K. Diwanji, Mr. Gerson da Cunha, General V. N. Sharma (Retd.) and Mr. E. A. Kshirsagar, were re-appointed by the shareholders at the 59th AGM of the Company on August 6, 2019, for a second term of five years as Independent Directors with effect from September 19, 2019, on the recommendation of the Board.

All the seven Independent Directors, namely, Mr. J. M. Mukhi, Mr. Shishir K. Diwanji, Mr. Gerson da Cunha, General V. N. Sharma (Retd.), Mr. E. A. Kshirsagar, Mr. Ravi Kant and Prof. Leena Chatterjee have given written declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mrs. Susan M. Vasudeva retires by rotation as a Director at the 60th AGM of the Company and, being eligible, offers herself for re-appointment for which the Board has resolved to recommend to the shareholders a suitable resolution.

At the Board Meeting (Serial No. 20) the Chief Executive Officer made a presentation to the Independent Directors to update them on the Company's operations, products and marketing policies and how the Company is dealing with the Covid-19 crisis. The required details of the Independent Directors' Familiarization Programs are available at <https://www.hawkinscookers.com/idfp>.

Auditors

M/s. Kalyaniwalla & Mistry LLP (Firm Registration No.104607W/W100166), Chartered Accountants, have been appointed as the Statutory Auditors of the Company at the 57th Annual General Meeting held on August 2, 2017, for an initial term of five years from the conclusion of the 57th Annual General Meeting till the conclusion of the 62nd Annual General Meeting of the Company in 2022.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company had appointed M/s. Jayshree Dagli & Associates, Company Secretaries in Practice, to continue to undertake the secretarial audit of the Company for the year 2019-20. The Secretarial Audit Report is annexed as **Appendix III**.