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Annual Report 2002-2003

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TTK Prestige  
LIMITED

## TTK PRESTIGE LIMITED

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**BOARD OF DIRECTORS**

Shri. T.T. Jagannathan	<i>Executive Chairman</i>
Shri. T.T. Raghunathan	<i>Vice Chairman</i>
Shri. S. Ravichandran	<i>Managing Director</i>
Shri. Ajay I. Thakore	<i>Director</i>
Shri R. Srinivasan	<i>Director</i>
Dr. (Smt.) Latha Jagannathan	<i>Director</i>
Dr. (Smt.) Vandana R. Walvekar	<i>Director</i>
Shri R. Rajagopalachari	<i>Director</i>
Shri K. Shankaran	<i>Director</i>

**COMPANY SECRETARY**

K. Shankaran

**REGISTERED OFFICE**

No. 78, Old Madras Road  
Dooravaninagar  
Bangalore - 560 016.

**CORPORATE OFFICE**

11th Floor, Brigade Towers  
135, Brigade Road  
Bangalore - 560 025.

**FACTORIES**

No. 78, Old Madras Road  
Dooravaninagar  
Bangalore - 560 016.

82 & 85, Sipcot Industrial  
Complex, Hosur  
Tamil Nadu - 635 126

**STATUTORY AUDITORS**

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

**BANKERS**

1. Bank of Baroda  
Corporate Banking Branch, HJS Complex, 1st Floor  
No. 26, Richmond Road, Bangalore - 560 025.
2. Canara Bank  
M.G. Road, Bangalore

**REGISTRARS & SHARE TRANSFER AGENTS**

Karvy Consultants Limited  
51/2, T.K.N. Complex  
Vanivilas Road  
Basavangudi  
Bangalore - 560 004.

**BRANCHES**

Ahmedabad, Bangalore, Chennai, Cuttack, Delhi, Ernakulam, Ghaziabad, Guwahati, Hyderabad, Indore, Jaipur, Kolkata, Ludhiana, Mumbai, Patna, Pune, Trichy & Vijayawada

## TTK PRESTIGE LIMITED

## Notice to Shareholders

**NOTICE** is hereby given that the Forty Seventh Annual General Meeting of **TTK PRESTIGE LIMITED** will be held at the **Registered Office of the Company at No.78, Old Madras Road, Bangalore - 560 016 on Wednesday the 24th September, 2003 at 11.00 a.m.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2003 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K. Shankaran who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of (Dr.) Mrs. Latha Jagannathan who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint the Auditors of the Company for the ensuing year and to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification, the following Ordinary Resolution:

"RESOLVED THAT pursuant to Sec.198, 269, 309, 310, 311 & Schedule XIII and other applicable provisions of the Companies Act, 1956 and the Articles of Association of the Company, the re-appointment of Mr. T T Jagannathan as Executive Chairman of the Company for a period of 5 years from 1st July, 2003 by the Board of Directors on the terms and conditions specified in the explanatory statement to this resolution be and is hereby approved".

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

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

6. To consider and if thought fit, to pass with or without modification, the following Special Resolution:

"RESOLVED that sanction be and is hereby accorded to de-list the equity shares of the company from Madras, Bangalore and Ahmedabad stock exchanges and that the Board of Directors be and are hereby authorised

to take such steps as are necessary to get the shares de-listed from the said exchanges".

7. To consider and if thought fit, to pass with or without modification, the following Special Resolution:

"RESOLVED that pursuant to Sec.314(1) and other applicable provisions of the Companies Act, 1956, sanction be and is hereby accorded to Mr. T.T. Lakshman, son of Mr. T T Jagannathan, one of the directors of the company to hold employment in the wholly owned subsidiary of the company, Mantra, Inc. USA on a total monthly remuneration not exceeding US\$6,000."

8. To consider and if thought fit, to pass with or without modification, the following Special Resolution:

"RESOLVED THAT during the year of loss or inadequacy of profits, salary and allowances together with other perquisites fixed by the Board of Directors and endorsed by the Remuneration Committee be paid to Mr. T.T. Jagannathan, Executive Chairman and Mr. S. Ravichandran, Managing Director as minimum remuneration for a period of 3 years with effect from 1st October, 2003, in accordance with the provisions of and subject to the ceiling prescribed for the time being under Schedule XIII to and other applicable Sections of the Companies Act, 1956 or any statutory modification(s) thereof from time to time and that the Board of Directors be and are hereby further authorised to apply to the Central Government in connection with the payment of Managerial Remuneration, if and when necessary.

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

"RESOLVED THAT pursuant to Sections 198, 309 & other applicable provisions of the Companies Act, 1956, sanction be and is hereby accorded for renewing the earlier resolution passed in 1998-99 enabling payment of commission to Directors who are not Managing or Whole-time Directors at the rate not exceeding 1% of the net profits of the Company for each financial year computed in accordance with Section 198(1) of the Companies Act, 1956, and that the said commission be divided between such directors by agreement between them or as determined by the Chairman".

By Order of the Board  
For TTK Prestige Limited

Place : Bangalore  
Dated: 9th August 2003.

K. SHANKARAN  
Director & Secretary

## FORTYSEVENTH ANNUAL REPORT 2002-2003

## NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ONLY ON A POLL AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS SHALL REMAIN CLOSED FROM, 19TH SEPTEMBER, 2003 TO 24TH SEPTEMBER, 2003 (BOTH DAYS INCLUSIVE)
3. Members are requested to bring their copy of the Annual Report to the Meeting.
4. Members are requested to intimate the Company, changes if any, in their registered address at an early date.
5. Dividend for the financial year ended March 31, 1996, and thereafter which remains unclaimed for a period of seven years will be transferred to the "Investor Education and Protection Fund" of the Central Government. Members who have not encashed their dividend warrant(s) for the financial year ended March 31, 1996, or thereafter are requested to contact the Company's Share Transfer Agent.
6. Information required under Clause 49 VI A of the Listing Agreement with the Stock Exchange with respect to the Directors retiring by rotation and being eligible seeking reappointment is as under:

## ITEM No. 2 – Re-appointment of Mr. K. Shankaran

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

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

Mr. K. Shankaran is also on the Board of TTK Healthcare Limited, Prestige Housewares (I) Limited, TTK Healthcare Services (P) Ltd, TTK Services (P) Limited and Mantra Inc. USA.

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

The Resolution is commended for adoption.

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

## ITEM No. 3 – Re-appointment of (Dr.) Mrs. Latha Jagannathan

(Dr.) Mrs. Latha Jagannathan retires by rotation and is eligible for re-election.

(Dr.) Mrs. Latha Jagannathan is a Medical Practitioner. She has been on the Board of the Company for the last 15 years.

She is a Director on the Board of TTK-LIG Limited.

She chairs Shareholders'/Investor Grievance Committee of the Company.

The Resolution is commended for adoption.

Mrs. Latha Jagannathan, Mr. TT Jagannathan and Mr. TT Raghunathan are deemed to be interested in the resolution.

7. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 5-9 is given below:

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

## ITEM No. 5 of the Notice

Re-Appointment of Mr. TT Jagannathan as Executive Chairman of the company.

The Board of Directors at their meeting held on 26th June, 2003 re-appointed Mr. T.T. Jagannathan as Executive Chairman of your company for a further period of 5 years from 1st July 2003 on the existing terms and conditions.

The Remuneration Committee has fixed the terms of his re-appointment. His terms of appointment are as follows:

A. Salary	Rs.100,000 per month
B.1) Housing	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.
2) Gas, 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 and other related expenses to any place in India or abroad once a year.
5) Club Fees	Fees for two clubs not including admission and life membership fee.
6) Personal Accident Insurance	Personal accident cover, as per the rules of the company.

## C. Other Benefits

1. Provident Fund contribution	– As per rules of the company
2. Superannuation contribution	– As per rules of the company.
3. Leave and Leave encashment benefits	– As per rules of the company
4. Gratuity	– As per rules of the company

D. 1. Car	Free use of Company maintained car with driver.
2. Telephone	Telephone at residence

E. Commission	During the year in which adequate profits have been made, the difference between 5% of such profits and the salary and benefits as referred to above in items A to C shall be paid as commission and such commission shall become due and payable on adoption of the accounts of the company for such financial year. Such profits shall be computed in accordance with Sec.198 of the Companies Act, 1956.
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## TTK PRESTIGE LIMITED

The above remuneration exclusive of Commission shall be paid as minimum remuneration in the year of loss or inadequacy of profits. If such minimum remuneration is in excess of ceiling, if any, prescribed under Schedule XIII to the Companies Act, 1956, or any statutory modifications thereof, the company shall seek permission of Central Government as may be necessary in accordance with provisions governing payment of remuneration in force at the relevant point of time.

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

Mr. TT 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 28 years.

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

## ITEM No. 6 of Notice

The company's shares are listed in five stock exchanges namely Bombay Stock Exchange, Bangalore Stock Exchange, Ahmedabad Stock Exchange, Madras Stock Exchange and National Stock Exchange. The company's shares are frequently traded in Bombay Stock Exchange and National Stock Exchange. There has been no transaction for several years of your company's shares in the other three stock exchanges. As per the guidelines issued by Securities Exchange Board of India for delisting, the company has got an option to de-list from one or more stock exchanges other than the stock exchanges having nationwide trading terminals. There shall not be any compulsion for the Company to remain listed on any stock exchange merely because it is a regional stock exchange.

Taking into account the administrative cost involved and the listing fees that are being incurred, it is considered desirable to de-list the company's shares from Bangalore, Madras and Ahmedabad stock exchanges. This will not result in any inconvenience to any of the members, as company's shares will continue to be listed in Bombay Stock Exchange and National Stock Exchange.

## ITEM No. 7 of Notice

Mr. T T Lakshman is a qualified Mechanical Engineer and M.S. from Cornell University, USA. The wholly owned subsidiary, Mantra Inc. has employed him in their rolls with effect from December 2002 and he looks after the marketing and service activities of Mantra Inc. in USA.

The provisions of Sec.314 of the Companies Act, 1956 requires the consent of the shareholders of the holding company by means of a Special Resolution for any relative of a director to hold employment or a place of profit in the subsidiary of the company. The maximum remuneration fixed under the resolution is in line with the remuneration any other person of similar qualification and work profile would have received in a similar employment in USA.

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

## ITEM No. 8 of Notice

Mr. TT Jagannathan was re-appointed as Executive Chairman of the Company for a period of 5 years from 1st July 2003 and his remuneration package as fixed by the remuneration committee was approved by the Board of Directors subject to the approval of shareholders at the ensuing Annual General Meeting.

Mr. S. Ravichandran was appointed as Managing Director of the Company for a period of 5 years with effect from 5th February 2002 and his remuneration package was approved by the remuneration committee and Board of Directors and Shareholders.

The terms of re-appointment of both Mr. TT Jagannathan and Mr. S. Ravichandran was the same just before re-appointment. In the last 3 years both Mr. TT Jagannathan and Mr. S. Ravichandran have been drawing less than minimum remuneration fixed by the Board of Directors pursuant to the ceiling prescribed under Schedule XIII to the Companies Act, 1956.

As per the revised guidelines the minimum remuneration as fixed by the Board of Directors can be paid provided the following conditions are fulfilled:

- The minimum remuneration is approved by a resolution passed by the Remuneration Committee.
- The company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.
- Prescribed particulars are furnished to the shareholders
- A Special resolution is passed by the Shareholders at the General Meeting approving the remuneration for a period not exceeding three years.

The remuneration committee has approved this remuneration and necessary particulars as required under Schedule XIII to the Companies Act, 1956 is annexed to this Notice. The resolution will be in force for a period of 3 years from 1st October, 2003.

The company has not defaulted in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

To ensure that the minimum remuneration as fixed by the Board of Directors and approved by the shareholders is paid to Mr. TT Jagannathan and Mr. S. Ravichandran this special resolution is placed before the General Meeting of the Company.

Mr. TT Jagannathan and Mr. S. Ravichandran being the parties drawing the remuneration are deemed to be interested in this resolution. Further Mr. TT Raghunathan and Mrs. Latha Jagannathan being relatives of Mr. Jagannathan are also deemed to be interested in this resolution in so far as it concerns the remuneration to Mr. Jagannathan. The resolution is commended for adoption.

## ITEM No. 9 of Notice

This resolution is only an enabling resolution to pay commission to Directors who are not Managing or Whole-time Directors subject to a ceiling of 1% of the net profit in accordance with Section 198 and 309 of the Companies Act, 1956. Such resolution is renewed from time to time for a period of 5 years at a stretch. The resolution passed in 1998-99 is sought to be renewed up to 2006-2007.

The renewal of this enabling provision requires the approval of the Shareholders by way of a Special Resolution. Hence the Resolution is placed before the meeting for approval.

All the Directors, other than Managing / Whole-time Directors are interested in this Resolution.

By Order of the Board

Place : Bangalore  
Dated : 9th August 2003.

K. SHANKARAN  
Director & Secretary



## Statement Showing the Details as Required under Schedule XIII to the Companies Act, 1956

(In connection with Item No.8 of the Notice/Explanatory Statement)

I. GENERAL INFORMATION				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.		The remuneration package is in line with the nature of the industry, size of the Company, profile of the person and the responsibilities entrusted.	
1. Nature of Industry	Manufacture and Marketing of Pressure Cookers, Non-stick Cookware, Gas Stoves & Domestic Kitchen Electrical 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. Export performance and net foreign exchange earnings 2002-2003	Export	Import	Net Foreign Exchange Earnings						
	Rs. lacs	Rs. lacs	Rs. lacs						
2002-2003	1820.16	486.80	1333.36						
6. Foreign Investments or collaborators, if any.	None								
II INFORMATION ABOUT THE APPOINTEE:				7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any		Related to Mr. TT Raghunathan and Mrs. Latha Jagannathan, directors of the company.		None	
1. Background details	Mr. TT 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 28 years.			Mr. S. Ravichandran is an experienced and qualified professional having qualified in the field of Mechanical Engineering from the Indian Institute of Technology, Chennai and is a Management Graduate from the Indian Institute of Management. He has been on the Board of the Company for the last 6 years.					
2. Past remuneration	Past terms are the same as provided in the current terms.			Past terms are the same as provided in the current terms.					
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.			He is the Managing Director of the Company in charge of the day to day overall management of the company and shall discharge such functions as entrusted by the Board of Directors from time to time. He possesses the necessary qualification and experience to discharge the functions of a Managing Director.					
5. Remuneration proposed	Details of the remuneration package given in the Explanatory Statement under Item No.5.			Details of the remuneration package given in Annexure 1 to this Statement.					
III OTHER INFORMATION				i) Reasons for loss or inadequate profits		The losses are mainly on account of the following:			
						a. General recession affecting the Consumer Durables industry over the last 2 years.			
						b. Due to rationalisation of model mix and non-availability of premium priced models throughout the year in 2002-2003			
						c. Increased incidence of Excise Duty since 2001			
						d. Higher interest burden.			
				ii) Steps taken or proposed to be taken for improvement		a. The entire range of all models including premium priced models made available during the year commencing 1st April 2003.			
						b. Consolidation of export market.			
						c. Substantial reduction in fixed overheads on account of right sizing of the manufacturing operations.			
						d. To reduce the quantum of exposure to debt by realizing surplus idle assets as well as swap of high-cost debt with low-cost debt.			
						e. Excise Duty burden reduced from 16% to 8% with effect from 1.3.2003 which will enable the company to be competitive.			
						The shareholders are also requested to refer to the Managements' Discussion & Analysis Report for further details on turn around strategies.			
						With the above steps, the company is expected to improve its performance from 2003-04.			
				iii) Expected increase in productivity and profits in measurable terms		Barring unforeseen circumstances during the year 2003-04, the Company expects improvement in productivity and to register operational profits.			
IV DISCLOSURES						The details of the remuneration package of Mr. TT Jagannathan are furnished in the Explanatory Statement to the Notice under Item No.5.			
						The details of the remuneration package of Mr. S. Ravichandran are given in Annexure 1 to this Statement.			
						The other disclosures required are furnished under the Column "Disclosures" in our Report on Corporate Governance.			

## TTK PRESTIGE LIMITED

## Annexure 1

**REMUNERATION DETAILS OF MR.S.RAVICHANDRAN, MANAGING DIRECTOR**

<b>A. Salary</b>	Rs.80,000 per month
<b>B. 1. Housing</b>	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.
<b>2. Gas, Electricity &amp; Water</b>	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.
<b>3. Medical</b>	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents.
<b>4. Leave Travel Assistance</b>	For self and family, to and fro Airfare and other related expenses to any place in India once a year.
<b>5. Club Fees</b>	Fees for two clubs not including admission and life membership fee.
<b>6. Personal Accident Insurance</b>	Personal accident cover, as per the rules of the company.
<b>C. Other Benefits</b>	
<b>1. Provident Fund contribution</b>	As per rules of the company.
<b>2. Superannuation contribution</b>	As per rules of the company.
<b>3. Leave and Leave encashment benefits</b>	As per rules of the company.
<b>4. Gratuity</b>	As per rules of the company.
<b>D. 1. Car</b>	Free use of Company maintained car with driver.
<b>2. Telephone</b>	Telephone at residence
<b>E. Performance Bonus</b>	As agreed to between the Board of Directors and the appointee subject to the ceiling on remuneration as per Schedule XIII to the Companies Act, 1956.

The above remuneration exclusive of Performance Bonus shall be paid as minimum remuneration in the year of loss or inadequacy of profits. If such minimum remuneration is in excess of ceiling, if any, prescribed under Schedule XIII to the Companies Act, 1956, the company shall seek permission of Central Government as may be necessary in accordance with provisions governing payment of remuneration in force at the relevant point of time.

The appointment is terminable by three month's notice or by a payment of three month's salary in lieu of notice by either party.

## Report on Corporate Governance

### 1. Philosophy

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

It is the philosophy of the Board that the company continues to follow fair business and organisational practices to fulfill the mission of Quality Consumer Products at affordable prices and in the process deliver long term sustainable shareholder value. It is also the philosophy of the Board that practice of Corporate Governance should travel beyond statutory requirements and further encompass social responsibilities.

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

### 2. Board of Directors

The Board consists of 9 Directors. The composition of the Board conforms to the Listing Agreement as per the details given below:

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

Mrs. Padma Narasimhan, a Director of your company passed away during the year under report.

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

The company held 6 Board meetings during the period 1-4-2002 to 31.3.2003. The dates of the meetings are 16th April, 2002, 29th June, 2002, 30th July, 2002, 23rd September, 2002, 25th October, 2002, 30th January, 2003. The attendance particulars are as follows:

Particulars	Attendance		No. of other directorships and committee member/chairmanship		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. TT Jagannathan	5	No	6*		
Mr. T T Raghunathan	4	No	3		
Mrs. Padma Narasimhan**	Nil	No	1		
Dr. (Mrs.) Latha Jagannathan	4	Yes	1		
Mr. Ajay I Thakore	3	Yes	2		
Mr. R. Srinivasan	4	Yes	9	2	4
Dr. (Mrs) Vandana Walvekar	3	Yes	1		
Mr. S. Ravichandran	6	Yes	2*		
Mr. K. Shankaran	6	Yes	3*	2	1
Mr. R. Rajagopalachari	6	Yes	-		

Other directorships does not include private companies.

\* includes directorship of one overseas subsidiary.

\*\* Mrs.Padma Narasimhan passed away on 11th September 2002

### 4. Audit committee

Audit Committee consists of three independent directors namely, Mr.R.Rajagopalachari, Mr. Ajay Thakore and Mrs. Vandana Walvekar. Mr. K. Shankaran – Director & Whole time Secretary is assisting this committee. Mr. R. Rajagopalachari is the Chairman and in his absence Mr. Ajay Thakore will chair the meetings. The composition of the committee meets with the requirements of Sec.292A of the Companies Act, 1956 as well as with the provisions of the Listing Agreement.

The terms of reference to the Audit Committee include review of Annual financial statements before submission to the Board, overseeing all financial reporting process, recommendation of appointment/removal of Auditors and their remuneration, review of adequacy of Management Audit, Internal Audit and Internal control systems, and looking into reasons for substantial defaults in repayment of deposits or non-payment of declared dividends.

The Audit Committee met 3 times during the year and was attended by all the members.



## TTK PRESTIGE LIMITED

## 5. Remuneration Committee

Remuneration Committee consists of four independent directors namely, Mr. Ajay Thakore, Mr. R. Srinivasan, Mr. R. Rajagopalachari, and Mrs. Vandana Waivekar. Mr. Ajay I Thakore is the Chairman.

The scope of the Remuneration Committee inter alia includes the determination on behalf of the Board / shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

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

The Remuneration Committee met during June 2003 to consider re-appointment of Mr. TT Jagannathan as Executive Chairman and all the members were present.

## 6. Directors' Remuneration

The details of remuneration paid to whole-time directors for the year 2002-03 are as follows

Name / Designation	Salary	HRA and other allowances	Contribution to PF and other funds	Total	Tenure of appointment
T T Jagannathan Executive Chairman	1200000	460302	434000	2094302	5 years from 1st July 1998.
S. Ravichandran Managing Director	960000	837120	347200	2144320	5 Years from 5th Feb 2002

Both the whole-time directors have drawn only minimum remuneration as calculated under the provisions of Schedule XIII to the Companies Act, 1956. Though the Executive Directors, subject to approval of Central Govt., are entitled to higher minimum remuneration in terms of their appointment, they have decided not to seek higher minimum remuneration over and above the minimum remuneration stipulated under the Act.

The company paid sitting fees of Rs.5,000/- per meeting of the Board / Committee attended to each of the non-executive directors during the 2002-03.

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

## 1. K. Shankaran

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

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

Mr. K. Shankaran is also on the Board of TTK Healthcare Limited, Prestige Housewares (I) Limited, TTK Healthcare Services (P) Ltd, TTK Services (P) Limited and Mantra Inc. USA.

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

## 2. (Dr.) Mrs. Latha Jagannathan

(Dr.) Mrs. Latha Jagannathan retires by rotation and is eligible for re-election.

(Dr.) Mrs. Latha Jagannathan is a Medical Practitioner. She has been on the Board of the Company for the last 15 years.

She is a Director on the Board of TTK-LIG Limited.

She chairs Shareholders'/Investor Grievance Committee of the Company.

## 3. Mr. TT Jagannathan

Mr. TT Jagannathan holds office up to 30th June 2003 as Executive Chairman. He is being re-appointed as Executive Chairman for a period of five years from 1st July, 2003.

Mr. TT 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 28 years.

Mr. TT Jagannathan is also the Chairman of TTK Healthcare Limited, Prestige Housewares (I) Limited, TTK Tantex Limited, TTK-LIG Limited, TTK Healthcare Services (P) Ltd, TTK Services (P) Limited, SSL-TTK Limited, and Mantra Inc. USA

He is also a member of Shareholders' / Investors' Grievance Committee of the Company.

## 8. Shareholders'/Investors' Grievance Committee

This committee consists of Mr. TT Jagannathan, Mr. S Ravichandran, Mrs. Latha Jagannathan and Mr. K Shankaran. This committee is chaired by Mrs. Latha Jagannathan, a non-executive director. The committee's scope includes issue of duplicate share certificates, overseeing of process of redressal of investor grievances and the performance of the Registrars and Share Transfer Agents. The power to approve share transfers is delegated to Mr K Shankaran, Director and a few other executives of the company. Share transfers are approved on a weekly basis.

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

The total number of complaints received and replied to the satisfaction of shareholders during the year under review, was 43, No requests for dematerialisation were pending for approval as on 31st March, 2003.

The Committee met once during the year.

**9. General Body Meetings**

Location and time for last 3 Annual General Meetings were:

Year	Location	Date	Time
1999-00	NDK Kalyana Mandira, 13th Main, HAL II Stage, Bangalore	22.9.2000	10.00 a.m.
2000-01	NDK Kalyana Mandira, 13th Main, HAL II Stage, Bangalore	20.9.2001	10.30 a.m.
2001-02	NDK Kalyana Mandira, 13th Main, HAL II Stage, Bangalore	23.9.2002	10.30 a.m.

No special resolutions requiring postal ballot were put through last year, or being put through in the ensuing General Meeting.

10. a. Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors of the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.
- None of the transactions with any of the related parties were in conflict with the interest of the Company. The Director interested contract, if any, is entered in the Register of Contracts and placed before the Board of Directors.
- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

None

**11. Means of Communication**

While the Annual Report is sent to household address of shareholders, quarterly results are published in Economic Times(All India Edition) OR Business Standard (All India Edition) OR Financial Express, Indian Express & Kannada Prabha and are also available on Company's website [ttkprestige.com](http://ttkprestige.com). and SEBI's Website [www.sebidifor.nic.in](http://www.sebidifor.nic.in)

From the year 2002-03, we have started communicating the half-yearly results to the household address of the shareholders. All other communications of the company related to the developments of the company are communicated to Stock Exchanges, Press and also published on the website of the company.

Management and discussion analysis report is separately provided in this Annual Report.

**12. General Shareholder Information****12.1 Annual General Meeting**

- Date and Time September 24, 2003 at 11.00 a.m.
- Venue 78, Old Madras Road, Dooravaninagar,  
Bangalore - 560 016.

**12.2 Financial Calendar**

- Annual General Meeting September 24, 2003
- Quarterly Results - 30.6.2003 Last week of July, 2003
- Quarterly Results - 30.9.2003 Last week of October, 2003
- Quarterly Results - 31.12.2003 Last week of January, 2004
- Quarterly Audited/Annual Results - 31.3.2004 Last week of June, 2004

**12.3 Book Closure date**

- 19th September 2003 to
- 24th September 2003 for AGM

**12.4 Dividend payment date**

N.A

**12.5 Listing of Equity Shares on the Stock Exchanges at**

Bangalore, Mumbai, Chennai,  
Ahmedabad, National Stock Exchange

The company proposes to de-list its shares from Bangalore, Chennai & Ahmedabad Stock Exchanges in accordance with the guidelines issued by SEBI vide Securities Exchange Board of India (Delisting of Securities) Guidelines 2003.

**12.6 (a) Stock Code**

- Trading Symbol Bombay Stock Exchange - TTK PRESTIGE - 517506
- Trading Symbol Bombay Stock Exchange (Demat Segment)
- Trading Symbol N.S.E - TTKPRESTIG EQ
- Trading Symbol N.S.E (Demat Segment)

**(b) Demat ISIN Numbers in**

ISIN No. INE690A01010

NSDL & CDSL for Equity Shares