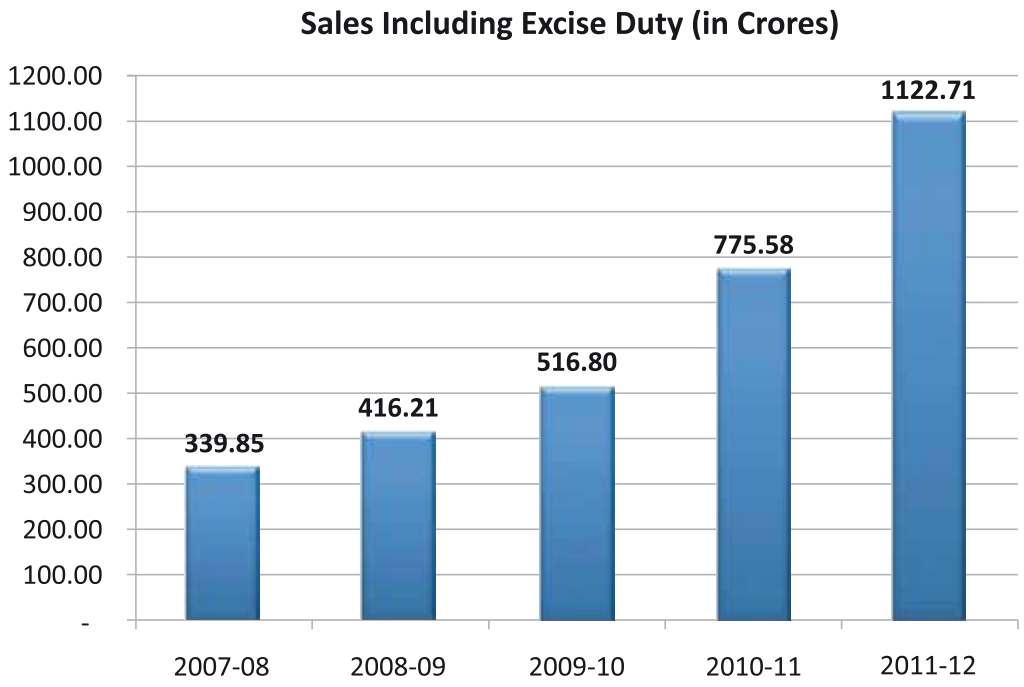
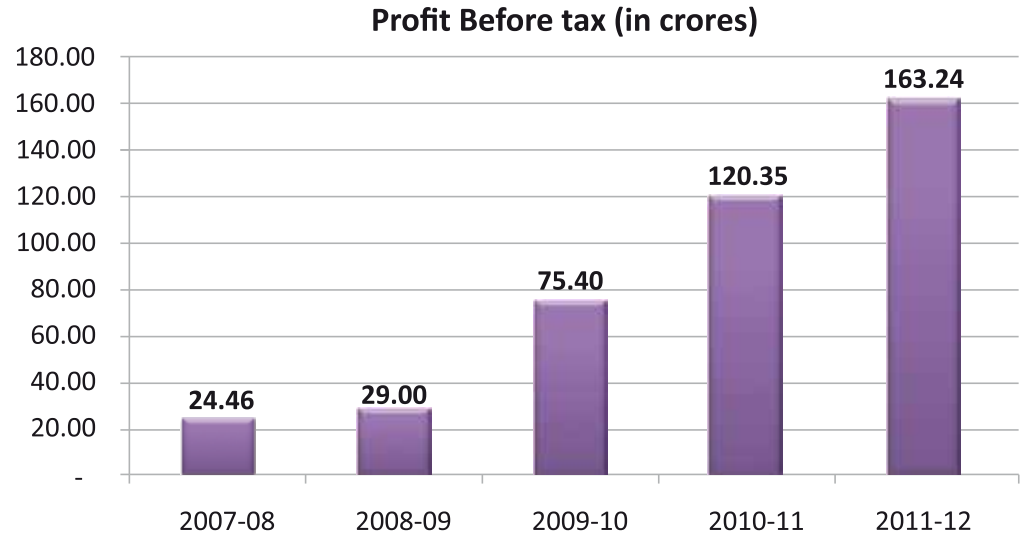
Prestige®

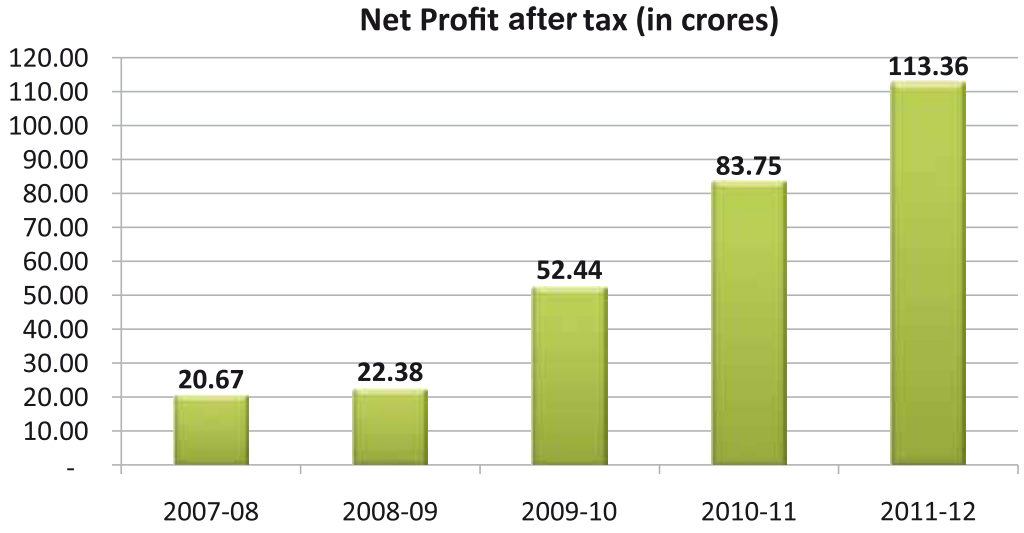
Driving growth through innovation

TTK Prestige
LIMITED

ANNUAL REPORT 2011-2012


Sales Including Excise Duty (in Crores)
1200.00
1100.00
1000.00
900.00
800.00
700.00
600.00
500.00
400.00
300.00
200.00
100.00
-
339.85
416.21
516.80
775.58
1122.71
2007-08
2008-09
2009-10
2010-11
2011-12


Profit Before tax (in crores)
180.00
160.00
140.00
120.00
100.00
80.00
60.00
40.00
20.00
-
24.46
29.00
75.40
120.35
163.24
2007-08
2008-09
2009-10
2010-11
2011-12


Net Profit after tax (in crores)
120.00
110.00
100.00
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
-
20.67
22.38
52.44
83.75
113.36
2007-08
2008-09
2009-10
2010-11
2011-12

TTK PRESTIGE LIMITED

FIFTY SIXTH ANNUAL REPORT 2011 - 12

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BOARD OF DIRECTORS

Shri. T.T. Jagannathan	Executive Chairman
Shri. T.T. Raghunathan	Vice Chairman
Shri. S. Ravichandran	Managing Director
Shri. Ajay I. Thakore	Director
Shri. R. Srinivasan	Director
Dr. (Mrs.) Latha Jagannathan	Director
Dr. (Mrs.) Vandana R. Walvekar	Director
Shri. Dileep Kumar Krishnaswamy	Director
Shri. Arun K. Thiagarajan	Director
Shri. K. Shankaran	Director & Whole-time Secretary

STATUTORY AUDITORS

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

REGISTERED OFFICE & WORKS
Plot No. 38, SIPCOT Industrial Complex
Hosur - 635 126, Tamil Nadu.

CORPORATE OFFICE
11th Floor, Brigade Towers
135, Brigade Road
Bengaluru - 560 025.

FACTORIES
82 & 85, SIPCOT Industrial Complex
Hosur - 635 126
Tamil Nadu.

SF-234/1, Pollachi Road
Myleripalayam Village
Coimbatore - 641 032
Tamil Nadu.

Plot No. 1A & 2
Dev Bhoomi Industrial Estate
Roorkee - 247 667
Uttarakhand.

BANKERS

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

REGISTRARS & SHARE TRANSFER AGENTS

Karvy Computershare (P) Limited
Plot No. 17-24, Vittal Rao Nagar, Madhapur
Hyderabad - 500 081.

BRANCHES

Ahmedabad, Bengaluru, Chandigarh, Chennai, Cuttack, Delhi, Dehradun, Ernakulam, Ghaziabad, Goa, Gurgaon, Guwahati, Hubli, Hyderabad, Indore, Jaipur, Jamshedpur, Kolkatta, Lucknow, Ludhiana, Mumbai, Patna, Pune, Raipur, Trichy & Vijayawada

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fifty Sixth Annual General Meeting of **TTK PRESTIGE LIMITED** will be held at Rennaaissancce Sarovar Portico, No. 422, SIPCOT Phase II, Bengaluru Road, Hosur - 635109 **on Monday, the 2nd July, 2012 at 10.15 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, 2012 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Dileep K. Krishnaswamy who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Arun K. Thiagarajan who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. T.T. Raghunathan who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint the Auditors of the Company for the ensuing year and authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

7. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. S. Ravichandran be and is hereby appointed as a Director under the provisions of Sec.257 of the Companies Act, 1956"

8. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Sec.198, 269, 309 & Schedule XIII and other applicable provisions of the Companies Act, 1956 and the Articles of Association of the Company, the re-appointment of Mr. S. Ravichandran as Managing Director from 5th February, 2012 till 31st March 2015 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 the remuneration specified in the explanatory statement be paid as minimum remuneration to Mr. S. Ravichandran in the year of loss or inadequacy of profits, and if necessary, an application be made to Central Government for payment of the said minimum remuneration, in so far as the same is in excess of ceilings prescribed for payment of minimum remuneration under Schedule XIII to the Companies Act, 1956 or any statutory modifications thereof as may be in force from time to time."

   "RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to revise the remuneration to Mr. S. Ravichandran in accordance with Schedule XIII to the Companies Act, 1956 or any statutory modifications thereof as may be in force from time to time."

By Order of the Board

Place : Coimbatore
Dated : 4th May, 2012

K. SHANKARAN
Director & Secretary

NOTES :

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 Dividend on Equity Shares as recommended by the Board of Directors, if declared at the Meeting, will be paid to those Shareholders whose names appear in the Register of Members on 2nd July, 2012.
3. Members are requested to intimate the Company, changes if any, in their registered address at an early date.
4. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updations of savings bank account details to their respective Depository Participants.
5. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS SHALL REMAIN CLOSED FROM 22nd June, 2012 TO 2nd July, 2012 (BOTH DAYS INCLUSIVE)
6. Members are requested to bring their copy of the Annual Report to the Meeting.
7. Those members who have so far not encashed their Dividend Warrants for the below mentioned financial years, may claim or approach the Company's Share Transfer Agents for the payment thereof as the same will be transferred to the **Investor Education and Protection Fund** of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the respective due dates mentioned there against. **Kindly note that after such date, the members will not be entitled to claim such dividend.**

Financial Year Ended	Due Date of Transfer
31st March, 2005	22-8-2012
31st March, 2006	28-8-2013
31st March, 2007	09-8-2014
31st March, 2008	24-7-2015
31st March, 2009	11-8-2016
31st March, 2010	28-6-2017
31st March, 2011	13-7-2018

8. 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 re-appointment is as under:

1. Mr. Dileep K Krishnaswamy

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

Mr. Dileep K Krishnaswamy is a well known Management Consultant with an academic background in Mechanical Engineering and Post Graduate Diploma in Management Studies from New Port, U.K. He was inducted into your Board in 2005.

Mr. Dileep K Krishnaswamy is the Chairman of the Audit Committee of the Company.

He does not hold any shares in the Company.

The Resolution is commended for adoption.

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

2. Mr. Arun K Thiagarajan

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

Mr. Arun K. Thiagarajan holds a Master's degree in Electrical Engineering and a degree in Business Administration. He has held senior positions in ABB, Wipro and Hewlett-Packard. He was inducted into your Board in 2005.

He is the Chairman of ING Vysya Bank Ltd. He is also a Director of the following companies:

GMR Infrastructure Limited, GMR Energy Limited, Alstom Projects India Limited, Aditya Birla Minacs Worldwide Ltd, Idea Cellular Limited and Gokaldas Exports Limited.

He is the Member of the Audit Committee and Investor Grievance Committee of ING Vysya Bank Limited & member of Audit Committee of GMR Infrastructure Limited, Alstom Projects India Limited, Aditya Birla Minacs Worldwide Ltd, Idea Cellular Limited and Gokaldas Exports Limited.

He does not hold any shares in the Company.

The Resolution is commended for adoption.

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

3. Mr. T.T. Raghunathan

Mr. T.T. Raghunathan retires by rotation and is eligible for re-election.

Mr. T.T. Raghunathan is a Commerce Graduate. He has been on the Board of your Company since 1995. He has vast industrial experience and has been actively involved in the management of various companies of the TTK Group.

Mr. T.T. Raghunathan is also on the Board of TTK Healthcare Limited, TTK-LIG Limited, SSL-TTK Limited, TTK Tantex Limited, TTK Healthcare TPA (P) Limited, TTK Services (P) Limited, CignaTTK Health Insurance Company Limited and TTK Property Services (P) Ltd.

He holds 2000 shares in the Company.

The Resolution is commended for adoption.

Mr. T.T. Raghunathan is the brother of Mr. T.T. Jagannathan. Mr. T.T. Raghunathan, Mr. T.T. Jagannathan and Dr. (Mrs.) Latha Jagannathan are deemed to be interested in this Resolution.

By Order of the Board

Place : Coimbatore
Dated : 4th May, 2012

K. SHANKARAN
Director & Secretary

Registered Office:
Plot No. 38,
SIPCOT Industrial Complex,
HOSUR - 635 126,
Tamil Nadu.

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

ITEM No. 7

Mr. S. Ravichandran is proposed to be appointed as a Director under provisions of Sec.257 of the Companies Act, 1956. Requisite Notice along with deposit has been received from a member. The resolution is commended for adoption. Required particulars are provided under Item No.8.

ITEM No. 8

Mr. S. Ravichandran was inducted on your Board on 5.2.1997 and was holding the position of Joint Managing Director from 5.2.1997 to 4.4.2001. He was appointed as Managing Director with effect from 5.4.2001 and was being re-appointed as Managing Director from time to time and his last appointment expired on 4th February 2012.

The Board of Directors at their meeting held on 12th January 2012, re-appointed Mr. S. Ravichandran as Managing Director from 5th February 2012 to 31st March 2015.

His terms of appointment as fixed by the Remuneration Committee and approved by the Board of Directors and which have already been circulated to the members under Sec.302 of the Companies Act, 1956 are as follows:

A.	Salary	₹ 2,00,000 per month in the pay scale of ₹ 1,00,000 - ₹ 3,00,000.
B.	1. Housing	House Rent Allowance of 60% of the salary over and above 10% payable by the appointee.
	2. Gas, Electricity & Water	The expenditure incurred by the Company on Gas, Electricity, Water, Furnishings etc., shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary.
	3. Medical	One month's salary in a year or three month's salary over a period of three years for self, wife, children and dependents.
	4. Leave Travel Assistance	For self and family, to and fro Airfare to any place in India 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.	Performance Bonus/ Commission	As decided by the Remuneration Committee/Board within the ceiling of 1.5% on the profits of the company as computed under Sec.198 of the Companies Act, 1956 for each financial year.

The above remuneration and benefits from A to E mentioned above with basic pay as revised by the Board from time to time within the pay scale will be paid as Minimum Remuneration subject to the ceilings prescribed under Schedule XIII to the Companies Act, 1956. In case such minimum remuneration exceeds the ceiling, necessary application will be made to the Central Government.

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.

Mr. S. Ravichandran is a Director of Prestige Housewares India Limited and Manttra Inc. USA. He holds 2000 shares in TTK Prestige Limited.

The re-appointment of Mr. S. Ravichandran as Managing Director and his terms of remuneration require the approval of the Shareholders in General Meeting. Hence the resolution is placed before the meeting.

The resolution is commended for adoption. Except Mr. S. Ravichandran, none of the directors is interested in this resolution.

By Order of the Board

K. SHANKARAN
Director & Secretary

Place : Coimbatore
Dated: 4th May, 2012

Information to Members

For the convenience of Members, the Company will provide a coach service from Bengaluru on the day of the Meeting. The coaches will leave for Hosur at 8.30 a.m. from Girias Show room, Madivala Police Station. Members who want to use this facility may kindly inform the Secretarial Department (Ph: 22218817) and e-mail to manju@ttkprestige.com giving their Name and Folio Number/D.P. ID on or before 25th June, 2012, after which it will be difficult to accommodate your request for transport facility.

DIRECTORS' REPORT

(Including Managements' Discussion and Analysis Report)

Your Directors have pleasure in presenting their Fifty Sixth Annual Report, together with the Audited Accounts of the Company, for the year ended 31st March 2012 as follows:

FINANCIAL RESULTS

(₹ in lakhs)

	2011-12	2010-11
Sales (inclusive of excise duty)	112271	77558
Other income	308	430
Profit before Extra-Ordinary item	16324	12094
Extra-Ordinary/exceptional item	0	(59)
Profit/(Loss) before tax	16324	12035
Tax Provision	4988	3660
Net Profit/(Loss)	11336	8375
Transfer to General Reserve	1134	838
Proposed Dividend (including tax)	1974	1645
Surplus carried to balance sheet	8228	5892

REVIEW OF PERFORMANCE :

Your Company is focussed on growth with a fair return on capital employed. Your Company does not follow a standalone margin led strategy as such strategy can be myopic and can lead to unwarranted cuts in investments in brand as well as capacity expansion. Therefore the performance has to be understood only in the light of the philosophy followed by your Company.

- Sales grew by 44.75%
- All time high absolute value growth - around ₹ 347 crores
- Profit before extra-ordinary items increased by 35%.
- Profit after tax increased by 35.35%.
- The operating EBIDTA margin was 15.6% as compared to 16.2 % in the previous year. Minor drop in margin was largely contributed by sharp rupee depreciation during September/October 2011 which could not be passed on to the market in the short-term. However your company was able to register more than expected topline growth ensuring a fair return on investments.
- Earnings per Share (before extra-ordinary/exceptional items) rose to ₹ 100.13 from ₹ 73.98 - a growth of about 35%.
- The ratio of Operating EBIDTA/ Operating Capital employed (excluding CWIP) in the Kitchen Segment was more than 60% notwithstanding substantial additions to asset base for future needs of production.

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

AWARDS AND RECOGNITON

Your Company is being continuously recognized by various reputed agencies for its overall corporate performance and brand standing. Your Company's brand Prestige continues to be recognized as the Super Brand in the Kitchen Appliances Segment.

Your Company's retail network Prestige Smart Kitchen continues to get several awards viz.

a. "Best Franchiser - Home" Award - Your Company has received this award 5 times in 6 years by Franchise India Holdings (P) Ltd.
b. "Best Retailer- Home" Award - Your Company has been receiving this award for the last 3 years continuously.

ALLIANCES

Your company has been actively looking for enlarging its product and customer base and in the process thought it fit to develop/ build relationships with certain global corporations to bring certain advanced product ranges as well as international brands into the business of your Company. These are calculated not only to consolidate your Company's position in the mass market segment but also tap the top of the pyramid segment. The details are given below.

(i) Your Company has concluded agreements with World Kitchen, USA which will enable your Company to enter the high-end Tableware/Cookware and Storeware segments. Your Company's basket of products will henceforth include international brands such as Corelle, Corningware, Pyrex, Visions and Snapware. Except Corelle, all other products will carry the brand of Prestige also. The initial arrangement is one of distribution and after gaining sufficient experience and volumes, a manufacturing Joint Venture may be set up for decoration of Corelle range of products and manufacture of Snapware range of storeware products. The sale of these products will commence during the first quarter of the financial year 2012-13.

(ii) Your Company has also concluded a business collaboration agreement with Vestergaard Frandson Group, Switzerland which will enable your Company to enter the fast growing domestic water filter segment. The products will be made with the patented LifeStraw technology of Vestergaard. The products will be manufactured / assembled in India through your Company and your Company will market and distribute the same across India.

(iii) Your Company has also entered into agreements with Bialetti Industries Spa, Italy whereby your Company has bought their pressure cooker and cookware manufacturing plants in Romania and Italy for installation in India. Some of the machineries have already been installed and commissioned and the balance will be installed and commissioned during the year 2012-13. Bialetti Industries is also outsourcing Stainless Steel Pressure cookers from your Company. Your Company has also entered into outsourcing arrangements with their Indian subsidiary.

MANAGEMENTS' DISCUSSION AND ANALYSIS

A. ECONOMY /INDUSTRY SCENARIO

The Fiscal year 2011-12 witnessed a lower rate of growth in the economy. The real GDP growth rate was just 6.8% after growing by 8.4% in each of the two previous fiscal

years. During the year serious inflationary trends were continued to be felt at consumer price levels. The rupee also depreciated sharply which had an adverse impact across all sections of the economy, especially those sections which depended on imports. The interest rates also hardened. The overall impact of all these factors was felt on disposable incomes thus affecting consumer spending especially on white goods, cars, two-wheelers and high value items.

Against the backdrop of the above described scenario your company was able to keep up its momentum of growth and grew by about 45% in 2011-12, over and above the growth of 50% achieved in the previous year.

Your Company operates in the kitchen appliances segment with a wide range of product categories. The product categories consist of Pressure Cookers, Non-stick Cookware, Gas Stoves and Domestic Kitchen Electrical Appliances. The market for Pressure Cookers is shared amongst organized national branded players, regional players and unorganized players. Over the years, the share of the unorganized players has been gradually coming down as there has been a shift in the consumer preference to reliable branded players. The market for organized brands is estimated at more than 60% of the total market. The share of unorganized players is greater for Non-stick cookware as compared to pressure cookers. For the rest of the product categories, the market structure is fragmented and the share and the role of regional brands and unorganized players continue to be significant.

Some new developments are taking place in the product segments in which your company is operating. Multinational Corporations are entering the domestic kitchen electrical appliances segment by acquiring regional brands. A couple of regional brands have been able to attract private equity investments at interesting valuations. Some State Governments have started providing select domestic electrical appliances like mixer-grinders, fans etc. free of cost to low income groups.

While the free supplies by State Government will tend to commoditize the concerned product segment, the entry of multinationals and large domestic companies can lead to the growth of organized branded players. The real impact of all these on the growth of the organized sector can be felt only in the next couple of years.

The Central Government has increased the excise duty on various products including your Company's products. The increase is between 1% and 2%. This will have a cascading effect and push up the end prices of the products.

B. OPPORTUNITIES, THREATS AND COMPANY'S RESPONSE

Your Company's growth is steadily built on its core strengths of brand, manufacturing, design, distribution, sourcing and service capabilities.

Over the last ten years your Company has been enlarging its scope to occupy the entire kitchen, providing a concept rather than a mere product and offering a host of simple solutions to the problems of day-to-day kitchen user through relevant products. Continuous innovation has been the key to the offering of well differentiated products.

Your Company has been investing substantially on its brand Prestige and has been quite successful in extending it to several product categories relevant to the domestic kitchen.

Your Company's strategy is to continue to focus on Total Kitchen Solutions.

Your Company's vision is - "A Prestige in Every Indian Kitchen".

Your Company's key core values are "to provide Quality Consumer Products at affordable prices" and "Fairness in dealings with Every Stake Holder".

True adherence to the above stated strategy, vision and values has enabled your Company to make product offerings relevant to the various consumer segments and tap geographies outside the traditional strong holds of South Indian market. Your Company has built a strong goodwill amongst all the stake holders in the distribution chain across geographies. The share of non-south market which was hardly 20% at the start of 21st century is now close to 35%.

All the products introduced in the last two years have been receiving good response as may be seen from the impressive growth in all product categories as detailed elsewhere in this report.

The strategy of focusing on Total Kitchen Solutions continues to create newer and newer opportunities every year to add new product categories and new customer base. Your Company has already taken steps to foray into Tableware and Cookware (both glass and ceramic) segments, Kitchen Store ware and Domestic Water Filters the details of which are given separately under the heading "Alliances".

The Indian economy is expected to register an overall growth of 7.6% in 2012-13. This growth is expected to be maintained notwithstanding the inflationary pressures. This coupled with stable rural income is expected to keep the consumer spending index at a stable level in the years to come. It is also estimated that private final consumption expenditure will rise by 7.3% in the year 2012-13. However,it is also reported that in recent months the Rural Consumer Price Index has been on the increase and is higher than the Urban Consumer Price Index and that the rural disposable income is gradually dropping. Further, the increase in excise duties across all product categories will make the various products costlier and the consumer may have to choose amongst various priorities.

The threat in the domestic market continues from the unorganized players and regional brands that compete with unviable low pricing strategies. The entry of larger players as stated above may shift the opportunities to organized branded players. The free distribution of certain products by State Governments is expected to create a decent replacement market in the years to come. Your Company

has been continuously monitoring the situation and will continue to have dynamic set of strategies to deal with such situations.

Your Company's export strategy will be tactical, balancing the needs of domestic market, comparative margins and optimum capacity utilization. "Micro Chef", the microwave pressure cooker range, mainly intended for the export market is attracting good interest in the export markets.

C. ANALYSIS OF PERFORMANCE :

1. Kitchen Appliances :

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

(In ₹ Lakhs)

	2011-12			2010-11		
	Domestic	Export	Total	Domestic	Export	Total
Pressure Cookers (including microwave pressure cookers)	38031	3290	41321	29192	2498	31690
Non-stick Cookware	22418	51	22469	15354	45	15399
Kitchen Electric Appliances	34944		34944	19292	-	19292
Gas Stoves	10084		10084	8085	-	8085
Others	3398	55	3453	3027	65	3092
Total	**108875**	**3396**	**112271**	**74950**	**2608**	**77558**

a. Domestic Sales registered a growth of 45.3% while exports registered a growth of 30.2%.

b. The traditional product categories, namely, Pressure cookers and Cookware registered a growth of 30.4% and 45.9% respectively in domestic market.

c. The growth in non-traditional product lines like gas stoves and kitchen electrical appliances has been impressive at 24.7% and 81.1% respectively.

d. The growth is driven predominantly by volume expansion and introduction of new models and products. With respect to certain product categories the growth can also be attributed to sales mix consisting more of value added items and improved market penetration.

e. Operating EBIDTA/ Gross Sales ratio was around 15.6% as against 16.2% in the previous year. The sudden depreciation in rupee in September 2011 resulted in unforeseen increase in input costs of imported materials/products which could not be passed on to the market immediately. This affected the margins during the second half of the financial year.The composite margin of your Company is the average of the margins of the Pressure Cookers and Cookware category on the one hand and Stoves & Kitchen Electrical appliances category on the other. Thus various operating ratios are unique to your Company and are not strictly comparable to other players whose composition of business is not similar to your Company.

f. Your company concluded a long-term wage settlement with the Hosur Union with increased productivity which is expected to neutralize the increase in absolute financial burden during the settlement period. Your company has also been investing in human resource taking into account the requirements of the ongoing expansion of capacities. The above margin achievement is after absorbing such increased overheads.

g. The interest cost during the year was ₹ 5.64 crores (PY ₹ 0.76 crore) on account of transitory borrowings resorted to fund the expansion requirements.

h. Own manufactured and domestically sourced products contributed to 62% of the turnover as against 70% in the previous year. The imported products contributed to 38% of the turnover as against 30% in the previous year. This composition also influences the margin as well as working capital investments.

i. Your Company continues to maintain strict control over working capital.There was an increase in the inventory levels as at 31.3.2012 which was largely built up to meet the growth expected in the FY 2012-13.

j. Your Company continues to raise significant operating free cash flows which enable your Company to fund the ongoing large capital expenditure programme without resorting to large borrowings.

k. During the year under report your Company introduced around 60 new products covering Pressure Cookers, Induction Cook Tops, Mixer Grinders, Rice Cookers, Gas Stoves and other small electric appliances.

l. Your company continues to consolidate and expand Prestige Smart Kitchen retail network. Your company extended its coverage to another 26 towns. The net addition to the number of stores was 77. The number of outlets as at 31.3.2012 was 356. The network now covers 21 States and 179 towns.

2. Properties & Investment :

The shareholders are aware that pursuant to shifting of factory operations to other places, the land at Dooravaninagar, Bengaluru became surplus and it was decided to develop the same instead of selling it outright. The company has handed over the development to Rajmata Realtors (Salarpuria) for developing an office cum residential complex. All necessary sanctions and approvals have been received and the construction is progressing satisfactorily. The project is expected to be completed during the calendar year 2014.

D. OUTLOOK

As outlined in the earlier part of this report, the general economic scenario is rather complex. While there is every possibility of the economy growing at over 7.5%, there does exist uncertainties over the spending power of the consumer in the immediate future on account of inflation.

Your company grew by 50% in 2010-11 and over and above that grew by 45% in 2011-12. Thus the base turnover has increased substantially in the last two years.

Your Company expects to maintain a decent rate of growth in the coming years mainly because of the efforts of your Company in broad basing its product range and enlarging the consumer base.

Earlier during the beginning of the financial year 2011-12, your Company had given guidance that during the five year period beginning April 2011, your Company expected to grow at CAGR of 25%. Having achieved 45% growth in the first year itself, the prospects of meeting the said average rate growth of 25% appears to be feasible especially on account of the entry into new product segments barring unforeseen circumstances.

Your Company has already embarked on a strategy to lower the dependence on imports for some finished goods. This is possible once the manufacturing facilities in Western India are commissioned. This step is expected to have a favourable influence on working capital investments and margins.

E. RISKS AND CONCERNS

The overall inflationary trend and slowdown experienced by some sections of the manufacturing and service sectors are matters of concern. Some escalation in key raw material prices is also seen.However your Company is continuously improving its efficiencies and is hopeful of growing at a healthy pace and maintaining a healthy return on capital employed. Your company will not compromise on the objective of growth and improving market share for the sake of short-term profits.

F. RISK MANAGEMENT

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

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

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

G. FINANCES

Your Company continues to generate substantial post-tax operating free cash flows. Your company also availed both long-term and short-term credits from banks in order to fund the growth and expansion of your Company. The outstanding borrowing as on 31.3.2012 was around ₹ 57 crores.

H. INVESTMENTS

Your Company retired its investments in mutual funds totaling ₹ 22 crores for deployment in the business. Other than this there have been no changes in the investment.

I. INTERNAL CONTROL SYSTEMS

Your Company has further strengthened the internal control and internal audit systems by engaging services of management audit firms who will focus on risk management processes, operational efficiencies and improved utilization of SAP processes.

J. DEVELOPMENTS IN HUMAN RESOURCES

Your Company concluded a long-term wage settlement with the workmen of the Hosur Unit with better productivity and flexibility. The entire negotiation process was smooth and cordial.

Given the rapid growth of the Company and proposed expansions, the Company requires a more focused approach for HR development. Therefore your Company has engaged the services of a world renowned firm of HR consultants to develop HR strategies specifically covering the organization structure, leadership development and succession planning.

The direct employment strength stood at 1141 as compared to 995 in the previous year.

CAPITAL EXPENDITURE & EXPANSION PLANS

Your company has completed most of its capital expenditure investments in Uttarakhand, Coimbatore and Hosur units. All these expansions have started commercial production.

Your Company has completed most of the formalities relating to the acquisition of land in Gujarat and the construction of the factory has commenced. Most of the machines have arrived. The first phase of this project is expected to be in place before the end of the financial year 2012-13.

The overall capital expenditure plan for the three years commencing April 2010 is pegged at around ₹ 300 crores out of which around ₹ 190 crores has been incurred till 31st March 2012. The balance will be incurred during the financial year 2012-13. With this your Company would have installed sufficient capacities for Pressure Cookers and Cookware to meet the long-term requirements.

SCHEME OF AMALGAMATION WITH PRESTIGE HOUSEWARES INDIA LIMITED

The shareholders are aware that the Scheme has already been unanimously approved by the shareholders at the General Meeting convened pursuant to the orders of the Honourable High Court at Chennai. The necessary petitions for sanction of the Scheme have been filed before the Court and order of the Court is awaited. The appointed date of the Scheme is 1st April 2011 and necessary entries will be carried out in the books of account only after the Sanction of the Court is received.

DIRECTORS

Mr. Dileep K Krishnaswamy, Mr. Arun K. Thiagarajan and Mr. T.T. Raghunathan retire by rotation and are eligible for re-election. The information on these retiring Directors is provided in the Notice calling the Annual General Meeting.

FIXED DEPOSIT

The Public Deposits aggregated to ₹ 217.25 lakhs as on 31st March 2012. There were no unclaimed deposits which remained unpaid as on that date.

DIVIDEND

Your directors recommend payment of a dividend of ₹ 15/- per share for the year.

FUTURISTIC STATEMENTS

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

CORPORATE GOVERNANCE

Report on Corporate Governance is separately presented as part of the Annual Report. Management Discussion and Analysis is included in this Directors' Report in the preceding sections.

EMPLOYEES

The particulars as required under Sec.217 (2A) of the Companies Act, 1956 are given in the Annexure to this report.

AUDITORS

M/s. S.Viswanathan, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment as statutory Auditors of the Company.

COST AUDITOR

In conformity with the directives of the Central Government, the Company has appointed Sri. V. Kalyanaraman, Cost Accountant, No.4 Second Street, North Gopalapuram, Chennai 600 086, as the Cost Auditor under Section 233B of the Companies Act, 1956, for the audit of cost accounts for Aluminium, Stainless Steel Pressure Cookers and Non-stick Cookware for the year ended 31.3.2012. The cost audit report for the year ended 31.3.2012 will be filed on or before 27.9.2012, the due date.

LISTING

Your Company's shares are listed in the Bombay Stock Exchange and National Stock Exchange and the listing fees for these two exchanges have been paid.

FOREIGN EXCHANGE EARNINGS

The details of foreign exchange earnings and outflow are given in the annexure to this Report.

CONSERVATION OF ENERGY AND RESEARCH AND DEVELOPMENT

The measures related to conservation of energy, etc., are covered in the annexure to this Report pursuant to Section 217(1) (e) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Sec 217(2AA) of the Companies Act, 1956 your Directors confirm

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

ACKNOWLEDGEMENTS

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

Registered Office:
Plot No. 38,
SIPCOT Industrial Complex,
HOSUR - 635 126,
Tamil Nadu.

For and on behalf of the Board

(T.T. JAGANNATHAN)
Chairman

Place : Coimbatore
Dated : 4th May, 2012

TTK Prestige Limited

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 for the year ended 31st March 2012.

A. CONSERVATION OF ENERGY AS PER FORM A - Not Applicable.

B. PARTICULARS AS PER FROM B - RESEARCH & DEVELOPMENT
Constant efforts are made to improve the quality of the product and upgrade the Manufacturing Process of all the products of the Company. During the year your Company has filed one patent and two design applications.

C. FOREIGN EXCHANGE EARNINGS & OUTFLOW

1)	Inflow Export of Goods (FOB)	-	₹ 3395.90 lakhs
2)	Outflow Import of Goods & Others	-	₹ 26080.97 lakhs

Registered Office:
Plot No. 38,
SIPCOT Industrial Complex,
HOSUR - 635 126
Tamil Nadu

For and on behalf of the Board

(T.T. JAGANNATHAN)
Chairman

Place : Coimbatore
Dated : 4th May, 2012

ANNEXURE TO THE DIRECTORS REPORT 2011-12

Particulars of Employees

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2012

Name	Designation	Qualification	Experience in years	Remuneration ₹	Age	Commencement of Employment	Particulars of last employment
T.T. Jagannathan *	Chairman	B. Tech (IIT, Chennai M.S. (Operations Research) Cornell University, Newyork	41	87682111	63	01/01/1975	G.M., TT Maps & Publications Ltd.,
S. Ravichandran *	Managing Director	B.Tech., P.G.D.B.A	39	30690080	60	05/02/1997	President Maxworth Orchards (India) Ltd., Chennai
K. Shankaran	Director & Secretary	B.Com., AICWA FCS, MAC	37	25851153	58	09/10/1990	Secretary Spencer & Co., Limited Chennai
M. Chandru Kalro	Chief Operating Officer	B.E.	26	16755331	48	29/03/1993	Asst. Manager(Marketing) BPL India Limited
H. T. Rajan	Chief Manufacturing Officer	B.Tech, MBA	30	6210399	53	16/07/2010	Managing Director TTK -LIG Limited

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

None of the employees excepting Mr. T.T. Jagannathan is a relative of any of the Directors. Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan, Director and husband of Dr. (Mrs.) Latha Jagannathan, Director.

* Term of employment is contractual

For and on behalf of the Board

(T.T. JAGANNATHAN)
Chairman

Place : Coimbatore
Date : 4th May, 2012

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

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

2. Board of Directors

The Board consists of 10 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/ 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 Dr. (Mrs.) Vandana R. Walvekar Mr. Dileep Kumar Krishnaswamy Mr. Arun K. Thiagarajan

Mr. T.T. Jagannathan is the brother of Mr. T.T. Raghunathan
Dr.(Mrs.) Latha Jagannathan is the wife of Mr. T.T. Jagannathan.

3. Board Meetings, Attendance and other directorships

The company held 6 Board meetings during the period 1.4.2011 to 31.3.2012. The dates of the meetings are 5th April 2011, 4th May 2011, 15th July, 2011, 18th August, 2011, 10th October, 2011 & 12th January, 2012. The attendance particulars are as follows:

Name of the Director	Attendance Particulars		No. of other directorships and committee membership/chairmanship		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. T.T. Jagannathan	6	Yes	6*	-	-
Mr. T.T. Raghunathan	5	Yes	4	-	-
Dr. (Mrs.) Latha Jagannathan	6	Yes	1	-	-
Mr. Ajay I Thakore	3	Yes	-	-	-
Mr. R. Srinivasan	6	Yes	11	7	3
Dr. (Mrs) Vandana Walvekar	5	Yes	-	-	-
Mr. S. Ravichandran	6	Yes	2*	-	-
Mr. K. Shankaran	6	Yes	3*	3	-
Mr. Dileep K Krishnaswamy	6	Yes	-	-	-
Mr. Arun K Thiagarajan	6	Yes	7	6	-

Other directorship does not include private companies.

* includes directorship of one overseas body corporate.

4. Audit committee :

The Company has complied with the requirements of Clause 49 of the Listing Agreement of the Stock Exchange and Section 292A of the Companies Act, 1956 as regards composition of Audit Committee.

The Audit Committee consists of four Non-executive Independent Directors. The Committee has held six meetings during the financial year 2011-12 i.e., 5th April 2011, 4th May 2011, 15th July, 2011, 9th August 2011, 10th October 2011 and 12th January, 2012. The Composition of the Audit Committee as on 31st March 2012 and the attendance of members at the meetings of the Audit Committee held during the financial year 2011-12 are as follows:

Members of the Audit Committee	No. of meetings attended
Mr. Ajay I Thakore	3
Dr. (Mrs.) Vandana Walvekar	5
Mr. R. Srinivasan	6
Mr. Dileep K Krishnaswamy(Chairman)	6

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

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly / half yearly / annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and cost auditor and fixation of audit fees, appointment of CFO, reviewing the significant internal audit findings/ related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations and also statutory compliance issues. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Committee has discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee has also discussed major issues related to risk management and compliances.

In addition, the Committee has discharged such other role / function as envisaged under Clause 49 of the Listing Agreement of the Stock Exchange and the provisions of Section 292A of the Companies Act, 1956.

5. Remuneration Committee:

The Remuneration Committee consists of three Non-executive Independent Directors namely, Mr. Ajay I Thakore as Chairman and Dr. (Mrs.) Vandana R. Walvekar & Mr.R. Srinivasan as Members of the Committee.

The role of the Remuneration Committee is to recommend to the Board, the remuneration package of the Executive Directors. Remuneration of Executive Directors is governed by the external competitive environment, track record, potential and performance of the executive and performance of the Company.

The Company has a credible and transparent Policy in determining and accounting for the remuneration of the Executive / Non-executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the Members.

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 committee met once during the year.

6. Directors' Remuneration

The details of remuneration paid to whole-time directors for the year 2011-12 are as follows:

Name/Designation	Salary ₹	HRA and other allowances ₹	Contribution to PF and other funds ₹	Performance Bonus Commission ₹	Total ₹	Tenure of appointment
T.T. Jagannathan Executive Chairman	2400000	1855431	518368	82908312	87682111	5 years from 1st July 2008
S. Ravichandran Managing Director	1900000	2054239	431208	26304633	30690080	From 5th Feb 2012 to 31.3.2015

The Managerial remuneration paid to the Whole time Directors is within the ceiling prescribed under Schedule XIII to the Companies Act, 1956.

The Company currently does not have Stock Option Schemes.

The company paid sitting fees of ₹ 20,000/- per meeting of the Board/Committee, attended to each of the non-executive directors during the year 2011-12. No other payment is made to the Non-executive Directors.

7. Shareholders'/Investors' Grievance Committee

This committee consists of Mr. T.T. Jagannathan, Mr. S Ravichandran, Dr. Mrs. Latha Jagannathan and Mr. K Shankaran. This committee is chaired by Dr. 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 79. No requests for dematerialization were pending for approval as on 31st March, 2012.

The committee met once during the year.

8. Particulars of Directors appointed/re-appointed.

a. Mr. Dileep K Krishnaswamy retires by rotation and is eligible for re-election.

Mr. Dileep K Krishnaswamy is a well known Management Consultant with an academic background in Mechanical Engineering and Post Graduate Diploma in Management Studies from New Port, U.K. He was inducted into your Board from 2005.

Mr.Dileep K Krishnaswamy is the Chairman of the Audit Committee of the Company.

He does not hold any shares in the Company.

b. Mr. Arun K Thiagarajan retires by rotation and is eligible for re-election.

Mr. Arun K Thiagarajan holds a Master's degree in Electrical Engineering and a degree in Business Administration. He has held senior positions in ABB, Wipro and Hewlett-Packard. He was inducted into your Board from 2005.

He is the Chairman of ING Vysya Bank Ltd. He is also a Director of the following companies:

GMR Infrastructure Limited, GMR Energy Limited, Alstom Projects India Limited, Aditya Birla Minacs Worldwide Ltd, Idea Cellular Limited and Gokaldas Exports Limited.

He is the Member of the Audit Committee and Investor Grievance Committee of ING Vysya Bank Limited & member of Audit Committee of GMR Infrastructure Limited, Alstom Projects India Limited, Aditya Birla Minacs Worldwide Ltd, Idea Cellular Limited and Gokaldas Exports Limited.

He does not hold any shares in the Company.

c. Mr. T.T. Raghunathan retires by rotation and is eligible for re-election.

Mr. T.T. Raghunathan is a Commerce Graduate. He has been on the Board of the Company since 1995. He has vast industrial experience and has been actively involved in the management of various companies of the TTK Group.

Mr. T.T. Raghunathan is also on the Board of TTK Healthcare Limited, TTK-LIG Limited, SSL-TTK Limited, TTK Tantex Limited, TTK Healthcare Services (P) Limited, TTK Services (P) Limited, CignaTTK Health Insurance Company Limited and TTK Property Services (P) Limited.

He holds 2000 shares in the Company.

He is the brother of Mr. T.T. Jagannathan, Chairman. Mr. T.T. Raghunathan, Mr. T.T. Jagannathan and Dr.(Mrs) Latha Jagannathan are deemed to be interested in this Resolution.

9. General Body Meetings

Location and time for last 3 General Meetings were:

Year	Location	Date	Time	No. of spl. resolutions passed
2008-09	Plot No. 38, SIPCOT Industrial complex, Hosur	12.8.2009	11.45 a.m.	1
2009-10	Ashok Leyland Management Convention Centre, Hosur	29.6.2010	11.30 a.m.	Nil
2010-11	Ashok Leyland Management Convention Centre, Hosur	15.7.2011	12.00 Noon	Nil
2011-12	Plot No. 38, SIPCOT Industrial complex, Hosur	24.12.2011 (EGM)	11.00 a.m.	1

10. Disclosures:

(a) Related Party Disclosure :

During the year under review, no transaction of material nature has been entered into by the Company with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company. The Register of Contracts containing transactions, in which directors are interested, is placed before the Board regularly.

(b) Compliances by the Company

There has been no instance of non-compliance by the Company on any matter related to Capital Markets during the last three financial years. Hence, the question of penalties or strictures being imposed by SEBI, the Stock Exchanges or any statutory authorities does not arise.

(c) Whistle Blower Policy

The Company does not have a formal whistle blower policy. However, access to Audit Committee is made available to every employee.

(d) Code of conduct for prevention of Insider Trading :

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a modified Code of Conduct for prevention of Insider Trading with effect from 29th January 2008, modified from time to time. This Code of Conduct is applicable to all Directors and such designated employees of the company who are expected to have access to unpublished price sensitive information relating to the company.

(e) The details of compliance with Mandatory / Non Mandatory requirements :

The Company has complied with all the mandatory requirements of the Corporate Governance Code including Board Composition, Audit Committee, Share Holders Grievance Committee, Disclosures to be made to the Board and Audit Committee including related party transactions, Accounting treatments, Risk Management etc.

With respect to Non-mandatory requirements, the Company has a Remuneration Committee in place and has no qualifications in the Auditors Report.

11. Means of Communication

While the Annual Report is sent to household address of shareholders, quarterly results are published in leading newspapers and are also published on Company's website www.ttkprestige.com.

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. Presentations, if any, made at Analysts Meets are displayed on the Company's website.

Management Discussion and Analysis Report is separately provided in this Annual Report as part of Directors' Report.

12. General Shareholder Information :

a. - Date, Time and Venue of Annual General Meeting

- Date and Time	2nd July 2012, 10.15 a.m.
- Venue	Rennaaissancce Sarovar Portico, No. 422, SIPCOT Phase II, Bengaluru Road, Hosur - 635109.

b. Financial Calendar

Annual General Meeting	02.07.2012
Quarterly Results - 30.6.2012	Second week of July, 2012
Quarterly Results - 30.9.2012	Second week of October, 2012
Quarterly Results - 31.12.2012	Second week of January, 2013
Quarterly Audited/Annual Results - 31.3.2013	Second week of May, 2013

c. Book Closure date	**22.6.2012 to 02.07.2012 for AGM (Both days inclusive)**
d. Dividend payment date	The dividend will be paid on 17th July, 2012
e. Listing of Equity Shares on the Stock Exchanges at	Your Company's shares are listed in Mumbai Stock Exchange and National Stock Exchange and the annual listing fees for these two stock exchanges have already been paid.

f. Stock Code

Trading Symbol & Code

Mumbai Stock Exchange - TTK PRESTIGE - 517506

National Stock Exchange - TTKPRESTIG - EQ

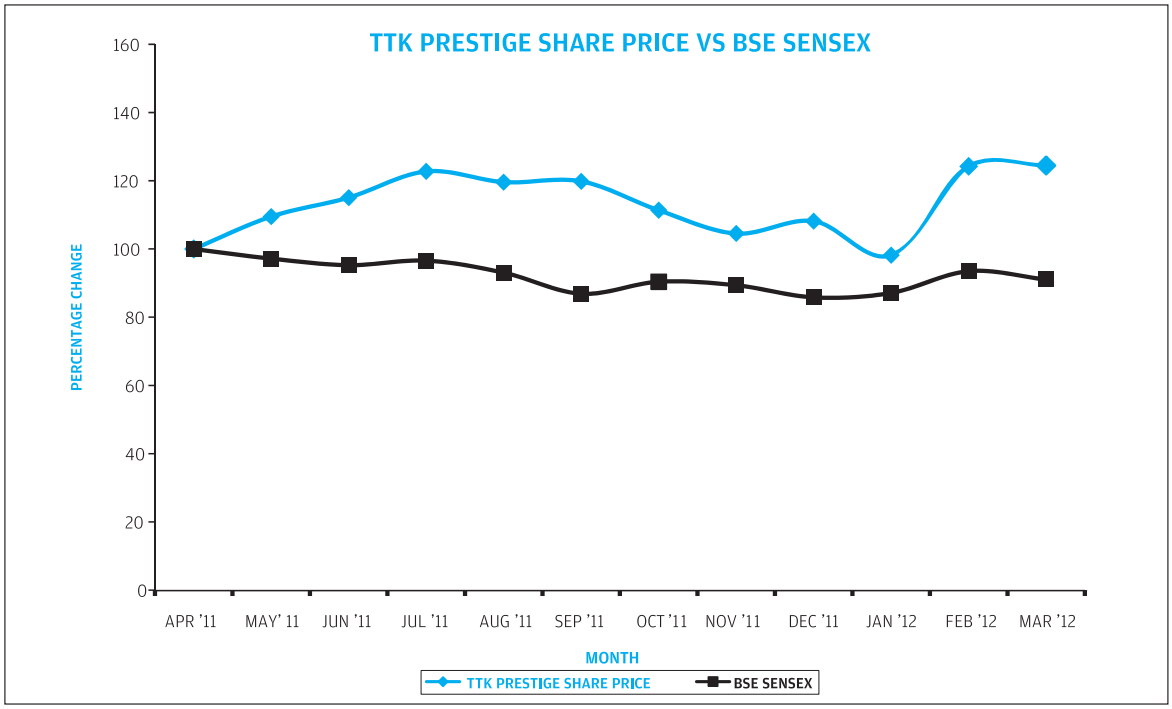
g. Demat ISIN Numbers in NSDL & CDSL - INE690A01010

h. Stock Market Data

Month	NATIONAL STOCK EXCHANGE			MUMBAI STOCK EXCHANGE		
	High	Low	Volume	High	Low	Volume
Apr 2011	2609.00	2033.40	3461536	2606.90	2201.00	1326392
May 2011	2855.00	2116.35	3870489	2855.00	2115.00	1737615
Jun 2011	3000.00	2375.00	3288358	3000.00	2374.85	1322230
Jul 2011	3175.00	2689.05	3201651	3200.00	2691.00	1031736
Aug 2011	3117.00	3457.55	3177747	3117.95	2455.80	857530
Sept 2011	3124.95	2505.00	3031380	3124.00	2510.05	794520
Oct 2011	2903.75	2340.00	2233527	2903.00	2341.00	626882
Nov 2011	2727.05	2419.35	1705446	2725.40	2420.00	346858
Dec 2011	2820.00	2442.05	1089727	2820.00	2443.25	240317
Jan 2012	2559.95	2161.00	1425100	2560.00	2151.40	402156
Feb 2012	3233.80	2280.05	2965209	3239.35	2285.00	877041
Mar 2012	3289.00	2620.00	3209120	3244.90	2623.00	885953

i) Stock Performance Vs BSE Sensex:

Month	TTK Share Price	% Change to Base	BSE Sensex	% Change to Base
	High		High	
Apr 2011	2606.90	-	19811.14	-
May 2011	2855.00	10%	19253.87	-3%
Jun 2011	3000.00	15%	18873.39	-5%
Jul 2011	3200.00	23%	19131.70	-3%
Aug 2011	3117.95	20%	18440.07	-7%
Sept 2011	3124.00	20%	17211.80	-13%
Oct 2011	2903.00	11%	17908.13	-10%
Nov 2011	2725.40	5%	17702.26	-11%
Dec 2011	2820.00	8%	17003.71	-14%
Jan 2012	2560.00	-2%	17258.97	-13%
Feb 2012	3239.35	24%	18523.78	-6%
Mar 2012	3244.90	24%	18040.69	-9%



j. Registrars & Transfer Agents:

Share transfer and communication regarding share certificates, dividends and change of address

Karvy Computershare (P) Limited
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.

k. Share Transfer system

In compliance of SEBI requirement, Share transfers are entertained, both under Demat Form and Physical Form.

Share Transfers in respect of physical shares are normally effected within 10-15 days from the date of receipt.

l. Shareholding Pattern as on 31st March, 2012:

CATEGORY		NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
A.	**Promoter's holding*** Promoters & their relatives	8481165	74.91
B	**Non-Promoters Holding**		
1.	INSTITUTIONAL INVESTORS		
	Mutual Funds	601031	5.31
	Financial Institutions/Banks	350	0.00
	FIIs	1006124	8.89
2.	OTHERS		
	a. Private Corporate Bodies	124530	1.10
	b. Indian Public	1010745	8.93
	c. NRIs**	39246	0.35
	d. Any Other (please specify) Clearing Members Directors/Relatives/Associates (Independent and not in control of the company)	 49949 7944	 0.44 0.07
	GRAND TOTAL	**11321084#**	**100.00%**

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

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

\# The issued capital of the company is 11348384. We have forfeited 28600 shares in December 2008. We have annulled 1300 shares so far.

m. Distribution of Shareholding as on 31st March 2012 :

Category (Amount)	Shareholders			Shares	
	Nos.	%	Total Shares	₹	%
1 - 5000	11619	97.12	693624	6936240	6.13
5001 - 10000	142	1.19	109856	1098560	0.97
10001 - 20000	90	0.75	138053	1380530	1.22
20001 - 30000	30	0.25	74217	742170	0.66
30001 - 40000	8	0.07	28163	281630	0.25
40001 - 50000	5	0.04	24203	242030	0.21
50001 - 100000	19	0.16	145681	1456810	1.29
100001 & Above	50	0.42	10107287	101072870	89.27
Total	**11963**	**100**	**11321084**	**113210840**	100.00

n. Dematerialisation of Shares and Liquidity as on 31st March, 2012 :

	No. of Shareholders	No. of Shares	% of Shares
No. of Shareholders in Physical Mode	2321	276488	2.44
No. of Shareholders in Electronic Mode	9642	11044596	97.56
Total	**11963**	**11321084**	**100.00**

Days taken for Dematerialisation	No. of Requests	No. of Shares	% of Shares
15 days	NIL	NIL	NIL

	National Securities Depository Limited (NSDL)		Central Depository Services (I) Limited (CDSL)	
	2011-12	2010-11	2011-12	2010-11
Number of Shares Dematerialised	7944015	34560	305901	10988
Number of Shares Rematerialised	NIL	1	NIL	300

o. Outstanding GDRs / ADRs/ Warrants or any convertible Instruments

The Company has not issued any GDRs/ADRs/ Warrants & Convertible instruments.

p. Plant Locations

Plot Nos. 82 & 85, SIPCOT Industrial Complex,
Hosur - 635 126, Tamilnadu

Plot No. 38, SIPCOT Industrial Complex,
Hosur - 635 126, Tamilnadu

SF-234/1, Pollachi Road, Myleripalayam Village, Coimbatore,
Tamilnadu - 641 032.

Plot No. 1A & 2, Dev Bhoomi Industrial Estate,
Roorkee, Uttarakhand - 247 667

q. Registered Office

Plot No. 38, SIPCOT Industrial Complex, Hosur - 635 126, Tamilnadu
(During March 2009 the Registered Office
was shifted from Bengaluru, Karnataka to Hosur, Tamilnadu)

r. Other constituents of the TTK Group within the meaning of "Group" under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include:

- T.T. Krishnamachari & Co. and its partners & relatives of the partners
- TTK Healthcare Limited
- TTK-LIG Limited
- TTK Healthcare TPA (P) Ltd
- TTK Services (P) Limited
- TTK Tantex Limited
- SSL-TTK Limited
- Prestige Housewares India Limited
- Cable & Wireless Networks India (P) Limited
- Packwell Packaging Products Limited
- Pharma Research & Analytical Laboratories
- Peenya Packaging Products
- Manttra Inc.

13. DECLARATION/ CERTIFICATION

a. **CODE OF CONDUCT :** The Board has laid down a Code of Conduct applicable to all the Directors and Senior Managers of the Company. Necessary certification to this effect is appended to this Corporate Governance Report.

b. **CEO / CFO Certification :** As per requirements of Corporate Governance Code, the Managing Director and Chief Financial Officer have furnished the necessary Certificate to the Board of Directors with respect to financial statements and Cash flow statements for the year ended 31st March 2012.

Declaration by Managing Director on Code of Conduct

I, S. Ravichandran, Managing Director of TTK Prestige Limited, do hereby declare that a formal code of Conduct has been laid down by the Board of Directors of TTK Prestige Ltd., which has been made applicable to all the Directors and Senior Managers of the Company. The Code of Conduct has been affirmed to by all the Directors and Senior Managers of the Company. The said code of conduct has been posted on the Website of the Company www.ttkprestige.com

Place : Coimbatore
Date : 4th May, 2012

S. RAVICHANDRAN
Managing Director

Auditors' Certificate on Compliance of Conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the Members of TTK Prestige Limited

We have examined the compliance of conditions of Corporate Governance by TTK Prestige Limited, for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2012, no investor grievances are pending against the Company exceeding one month as per records maintained by the Company which are presented to the Shareholders/Investors Grievance Committee.

We further 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 M/s S VISWANATHAN
Chartered Accountants
REG. No. 004770S

C N SRINIVASAN
Partner
Membership No. 18205

Place : Coimbatore
Date : 4th May, 2012

AUDITORS' REPORT

To the Shareholders of TTK Prestige Limited

We have audited the attached Balance Sheet of TTK Prestige Limited, as at 31st March 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for purposes of our audit;
ii. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act,1956;
v. On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
   a. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
   b. in the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
   c. in the case of the cash flow statement, of the cash flows for the year ended on that date.

For Messrs. S. VISWANATHAN
Chartered Accountants
REG. No. 004770S

(C. N. SRINIVASAN)
Partner
Membership No.18205

Place : Coimbatore
Date : 4th May, 2012

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date.

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All the fixed assets have not been physically verified by the management during the year but, according to the information and the explanation given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) According to the information given to us and in our opinion the company has not disposed substantial portion of its fixed assets which will affect the company as a going concern.

(ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and books records were not material.

(iii) (a) The company has taken loan from five parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 50 lakhs and the year end balance of loans taken from such parties was ₹ 50 lakhs.
(b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from parties listed in register maintained under section 301 of the Companies Act, 1956 and are not, prima facie prejudicial to the interest of the company.
(c) There is no overdue amount of loans and interest taken from companies, firms or other parties in the register maintained under section 301 of the Companies Act, 1956.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.

(v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) In our opinion and according to the information and explanations given to us, the company has complied with the directives issued by Reserve Bank of India and the provisions of section 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the Rules framed there under wherever applicable. As per information and explanations given to us no order under the aforesaid sections has been passed by the Company Law Board on the Company.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(viii) The Central Government has prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for Aluminium, Stainless Streel Pressure Cookers and Non-stick Cookware manufactured by the Company. The Company is in the process of complying with this provision.

(ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at 31st March 2012 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

(x) In our opinion and according to the information and explanations given to us, the Company does not have accumulated losses as at 31st March 2012 and has not incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.

(xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.

(xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The provision of any special statute as specified in clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xiv) The Company is not dealing in or trading in share, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

(xvi) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investments.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.

(xix) The Company has not issued any debentures.

(xx) The Company has not raised any money from public issue during the year.

(xxi) According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

For Messrs. S. VISWANATHAN
Chartered Accountants
REG. No. 004770S

(C.N.SRINIVASAN)
Partner
Membership No. 18205

Place : Coimbatore
Date : 4th May, 2012

Balance Sheet as at 31st March, 2012

(₹ IN LAKHS)

Particulars	Note No	As at the end 31st March 2012	As at the end 31st March 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	**2.1**	1,133.47	1,133.47
(b) Reserves and surplus	**2.2**	27,377.01	18,014.85
		28,510.48	**19,148.32**
Non-current liabilities			
(a) Long-term borrowings	**2.3**	1,473.66	83.59
(b) Deferred tax liabilities (Net)	**2.4**	680.83	325.81
(c) Other Long term liabilities	**2.5**	500.00	350.00
(d) Long-term provisions	**2.6**	1,139.60	874.42
		3,794.09	**1,633.82**
Current liabilities			
(a) Short-term borrowings	**2.7**	255.00	142.64
(b) Trade payables	**2.8**	10,135.73	7,398.57
(c) Other current liabilities	**2.9**	12,416.11	5,951.99
(d) Short-term provisions	**2.10**	13,247.78	8,271.55
		36,054.62	**21,764.75**
TOTAL		**68,359.19**	**42,546.89**
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	**2.11**	15,065.86	4,140.04
(ii) Intangible assets	**2.12**	0.00	52.81
(iii) Capital work-in-progress	**2.13**	7,936.64	3,906.00
(b) Non-current investments	**2.14**	39.03	39.03
(c) Long-term loans and advances	**2.15**	968.31	1,189.85
		24,009.84	**9,327.73**
Current assets			
(a) Current investments	**2.16**	0.00	2,218.97
(b) Inventories	**2.17**	17,489.62	10,504.30
(c) Trade receivables	**2.18**	10,603.72	7,465.30
(d) Cash and cash equivalents	**2.19**	2,233.86	5,354.24
(e) Short-term loans and advances	**2.20**	13,976.83	7,642.88
(f) Other current assets	**2.21**	45.32	33.47
		44,349.35	**33,219.16**
TOTAL		**68,359.19**	**42,546.89**
Significant Accounting Policies and Notes on Accounts	**1 & 2**		

As per our report attached
For **Messrs. S. VISWANATHAN**
Chartered Accountants
Firm's Registration Number : 004770S

C.N. SRINIVASAN
Partner
Membership No. 18205

Coimbatore
May 04, 2012

For and on behalf of the Board

T. T. Jagannathan
Executive Chairman

S. Ravichandran
Managing Director

Dileep K. Krishnaswamy
Director

K. Shankaran
Director & Secretary

V. Sundaresan
Senior Vice President - Finance

Profit and loss statement for the year ended 31st March, 2012

(₹ IN LAKHS)

Particulars	Note No.	For the year ended 31.03.2012		For the year ended 31.03.2011	
1. Revenue from operations					
(a) sale of products;		111,625.63		77,121.56	
(b) other operating revenues;					
sale of scrap;		645.54	112,271.17	436.21	77,557.77
Less:					
(c) Excise duty			1,927.54		1,201.48
			110,343.63		**76,356.29**
2. Other income	**2.22**		**308.17**		**426.85**
3. Total Revenue (1 + 2)			**110,651.80**		**76,783.14**
4. Expenses:					
a) Cost of materials consumed		24,656.99		18,551.68	
b) Purchase of Stock - in - trade		42,683.93		25,624.21	
c) Changes in inventory of:					
(i) Work in Progress		(178.68)		(198.77)	
(ii) Finished Goods		(1,498.35)		(1,122.73)	
(iii) Stock in Trade		(3,874.27)		(1,876.19)	
		(5,551.30)	61,789.62	(3,197.69)	40,978.20
d) Employee benefits expense	**2.23**		7,296.27		5,300.70
e) Finance costs	**2.24**		564.26		75.53
f) Depreciation and amortization expense	**2.11 & 2.12**		624.34		426.08
g) Other expenses	**2.25**		24,053.36		17,908.75
Total expenses			**94,327.85**		**64,689.26**
5. Profit before Exceptional and Extraordinary items and tax (3-4)			**16,323.95**		**12,093.88**
6. Exceptional items			**0.00**		**0.00**
7. Profit before Extraordinary items and tax (5-6)			**16,323.95**		**12,093.88**
8. Extraordinary Items	**2.26**		**0.00**		**(58.50)**
9. Profit before tax (7-8)			**16,323.95**		**12,035.38**
10. Tax expense:					
(1) Current tax		4,633.13		3,645.76	
(2) Deferred tax		355.02	4,988.15	14.46	3,660.22
11. Profit after Tax (9-10)			**11,335.80**		**8,375.16**
12. Earnings per equity share:					
(1) Basic			100.13		73.98
(2) Diluted			100.13		73.98
Significant Accounting Policies and Notes on Accounts	**1 & 2**				

As per our report attached
For **Messrs. S. VISWANATHAN**
Chartered Accountants
Firm's Registration Number : 004770S

C.N. SRINIVASAN
Partner
Membership No. 18205

Coimbatore
May 04, 2012

For and on behalf of the Board

T. T. Jagannathan
Executive Chairman

S. Ravichandran
Managing Director

Dileep K. Krishnaswamy
Director

K. Shankaran
Director & Secretary

V. Sundaresan
Senior Vice President - Finance

Cash flow Statement for the year ended 31st March, 2012

(As per Accounting Standard AS(3) issued by the Institute of Chartered Accountants of India) (₹ IN LAKHS)

Particulars		As at 31st March 2012	As at 31st March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation and extraordinary items:		16,323.95	12,035.38
Additions			
	Depreciation	636.57	436.21
	Profit on sale of Assets	(17.37)	0.00
	Interest expenses	564.26	75.53
	Interest,dividend & Commission received	(240.41)	(374.44)
Cash generated from operations before Working Capital Changes		**17,267.00**	**12,172.68**
Adjustments for:			
	(Increase)/Decrease in Trade Receivables	(3,138.42)	(1,439.51)
	(Increase)/Decrease in Inventories	(6,985.32)	(4,375.24)
	Increase/(Decrease) in Payables	5,391.90	5,188.13
	(Increase)/Decrease in Other Receivables	(1,738.60)	(605.44)
Cash generated from Operations		**10,796.56**	**10,940.62**
	Direct Taxes paid	**(4,681.68)**	**(3,509.61)**
Net Cash Flow from Operation before extra ordinary item		**6,114.88**	**7,431.01**
B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES			
	(Purchase)/Sale of Fixed Assets	(15,226.94)	(3,178.41)
	(Purchase)/Sale of Investments	2,218.97	(2,218.97)
	Deposits	0.11	(67.92)
	Interest,dividend & Commission received	240.41	374.44
Net Cash from / (used in) Investing Activities		**(12,767.45)**	**(5,090.86)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
	(Refund)/Acceptance of deposit	(7.31)	(55.36)
	Increase(Decrease) in Bank Borrowings	5,748.58	0.00
	Interest Paid	(564.26)	(75.53)
	Dividend Paid (including dividend distribution tax)	(1,644.71)	(1,320.00)
Net Cash from / (used in) Financing Activities		**3,532.30**	**(1,450.89)**
Net increase / (decrease) in Cash and Cash Equivalents		**(3,120.27)**	**889.26**
Cash and Cash Equivalents at the beginning of the year		**5,286.32**	**4,397.06**
Cash and Cash Equivalents at the end of the year*		**2,166.05**	**5,286.32**

***Cash and cash equivalents comprise of balances in current accounts,Margin money for LC's and Cash Balances.**

For and on behalf of the Board

As per our report attached
For **Messrs. S. VISWANATHAN**
Chartered Accountants
Firm's Registration Number : 004770S

C.N. SRINIVASAN
Partner
Membership No. 18205

Coimbatore
May 04, 2012

T. T. Jagannathan
Executive Chairman

S. Ravichandran
Managing Director

Dileep K. Krishnaswamy
Director

K. Shankaran
Director & Secretary

V. Sundaresan
Senior Vice President - Finance

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

1. Significant Accounting Policies and Notes on Accounts:

1.1. **Basis for preparation of accounts:**
The Accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of The Companies Act 1956 and the relevant provisions thereof. Financial statements are prepared based on historical cost and on the basis of a going concern. The Company follows the mercantile system of Accounting and recognizes income and expenditure on an accrual basis.

1.2. **Fixed Assets:**
Fixed Assets are stated at cost of acquisition inclusive of freight, taxes, insurance etc. relating to the acquisition including installation/erection charges up to the date the asset is put to use, as applicable.

Borrowing costs attributable to acquisition / construction or production of a qualifying asset is capitalized as a part of cost of the asset.

Depreciation:
The Company is providing depreciation on Written Down Value (WDV) method by adopting the rates specified in Schedule XIV of the Companies Act, 1956 in respect of all Fixed Assets capitalized up to 31st March, 1997. In respect of additions from 1st April 1997, the Company is providing depreciation by adopting Straight Line method specified in Schedule XIV of the Companies Act, 1956. ERP Software, being intangible asset is depreciated at 20% on straight line basis in line with AS 26. Depreciation on additions during the year is provided on pro-rata basis.

Leasehold land is amortized over the period of the Lease.

1.3. **Revenue Recognition:**
Sales are stated at net of returns and, sales tax. The Excise Duty relatable to sales is separately disclosed and deducted from Sales.

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

1.4. **Investments:**
Investments are classified into Current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost.

1.5. **Impairment of Assets:**
Impairment loss, if any is provided to the extent, the carrying amount of the assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

1.6. **Trade Receivables and Loans and advances:**
Sundry Debtors and Loans and advances are stated after making adequate provisions for doubtful balances.

1.7. **Provisions:**
A Provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the yearend date. These are reviewed at each year end date and adjusted to reflect the best current estimate.

1.8. **Retirement /Post retirement benefits:**
The Company also provides for retirement/post retirement benefits in the form of Gratuity, Pension, and Leave Encashment. Such benefits are provided for based on the valuations, as at the Balance Sheet date, made by independent actuaries. Termination benefits are recognized as an expense as and when incurred.

1.9. **Taxes on Income**:
Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

1.10. **Foreign Currency Transactions:**
Transactions in foreign currency are recorded at exchange rates prevailing at the time of the transactions and exchange difference arising from foreign currency transaction are dealt with in the profit and loss account and capitalized where they relate to the Fixed Assets. Current Assets and Liabilities at year end are being converted at closing rates and exchange gains / losses are dealt with in the profit and loss account, as per AS 11.

1.11. **Grant / subsidies**
Grant / subsidy received under "Central Investment Subsidy Scheme" is directly credited to capital reserve.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.1 SHARE CAPITAL

(A) Authorised, Issued, Subscribed and paid up share capital

Particulars	As at 31st March 2012	As at 31st March 2011
Authorised Share Capital 15000000 Equity Shares of ₹ 10/- each (Previous Year 15000000 Equity Shares of ₹ 10/- each)	1,500	1,500
Issued and Subscribed Share Capital: 1,13,48,384 Equity Shares of ₹ 10/- each (Previous Year 1,13,48,384 Equity Shares of ₹ 10/- each)	1,134.84	1,134.84
Paid up share capital:- 1,13,21,084 Equity Shares of ₹ 10/- each Add : 27,300 Equity shares Forfeited (₹ 5/- paid-up)	1,132.11 1.36	1,132.11 1.36
	1,133.47	**1,133.47**

1. Paid up share capital of 1,13,21,084 shares (Previous year : 1,13,21,084 shares) Includes 78,69,064 shares of ₹ 10/- each allotted as Bonus shares fully paid-up by capitalisation of reserves.
2. There was no issue / buy back of shares of the nature mentioned in clause(i) of note 6A of general instructions to Schedule VI in the last five years.

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2012	As at 31st March 2011
Number of shares outstanding as at the beginning of the year	**11321084**	**11319784**
Add: Number of forfeited shares annuled during the year	-	1200
Number of shares outstanding as at the end of the year	**11321084**	**11321084**

(C) Shares in the company held by each shareholder holding more than 5% shares

Sl. No.	Name of the Share Holder	Number of shares held in the company	Percentage of shares held
1	T.T. Krishnamachari & Co. represented by its partners	7148641	63.14%

2.2 RESERVES AND SURPLUS

Reserves & Surplus	As at 31st March 2011	Additions/ Created during the year	Deduction during the year	As at 31st March 2012
(a) Capital Reserve (Amount received under Central Investment scheme)	28.82	-	-	28.82
(b) Securities Premium Reserve	592.26	-	-	592.26
Add : Premium on Forfeited shares	10.92			10.92
	603.18			603.18
(c) Revaluation Reserve	214.74	-	-	214.74
(d) General Reserve:	7,875.84	1,134.00	-	9,009.84
(e) Surplus in Profit & Loss Account:	9,292.27	8,228.16	-	17,520.43
	18,014.85	9,362.16	0.00	27,377.01
Notes	**2012**		**2011**	
f) Profit for the year		11,335.80		8,375.16
Less: Dividend on Equity Shares	1,698.16		1,415.14	
Tax on Distributed Profits on Equity Shares	275.48		229.57	
Transfer to General Reserve	1,134.00	3,107.64	837.60	2482.31
Balance carried to balance sheet		**8,228.16**		**5,892.85**
g) Securities Premium Reserve includes ₹ 0.48 lakh received on account of 1,300 nos forfeited shares annuled. Consequent to this, ₹ 0.48 lakh lying in share premium on forfeited shares account also added to Securities Premium Reserve account.				

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.3 LONG TERM BORROWINGS

Particulars	As at 31st March, 2012		As at 31st March 2011	
(a) TERM LOANS				
i) Term Loan from HDFC Bank (secured by hypothecation of specific machineries of New project at Karjan, Gujarat). Repayable in 4 quarterly instalments starting from 01.09.2012 and last instalment falling due on 1.6.2013		1,412.50		0.00
(b) DEPOSITS (Unsecured)				
(i) from Directors	14.00		14.00	0.00
(ii) Others	46.83	60.83	67.92	81.92
(c) LONG-TERM MATURITIES OF FINANCE LEASE OBLIGATIONS (Secured by Hypothecation of Motor Vehicles taken on finance lease)		0.33		1.67
Total		**1,473.66**		**83.59**

2.4 DEFERRED TAX LIABILITY (NET)

Particulars	As at 31st March 2012		As at 31st March 2011	
Deferred tax liabilities	791.11		436.09	
Deferred tax Assets	(110.28)		(110.28)	
Deferred tax liabilities (Net)		**680.83**		**325.81**

2.5 OTHER LONG TERM LIABILITY

Particulars	As at 31st March 2012	As at 31st March 2011
Property Development	500.00	350.00
	500.00	**350.00**

2.6 LONG-TERM PROVISIONS

Particulars	As at 31st March 2012		As at 31st March 2011	
Provision for Employee benefits - gratuity/leave encashment	177.59		165.91	
Provision for fringe benefit tax	186.70		186.70	
Others-Warranties	775.31		521.81	
Total		**1,139.60**		**874.42**

2.7 SHORT-TERM BORROWINGS

Particulars	As at 31st March 2012		As at 31st March 2011	
(A) LOANS REPAYABLE ON DEMAND				
i) **From Banks :** **Secured :** Cash credit from Canara Bank and Bank of Baroda, secured by equitable mortgage of Land & Buildings and hypothecation of Plant & Machinery and Current assets of the company on paripassu basis.		98.58		0.00
(B) PUBLIC DEPOSITS (Unsecured)				
(i) from Directors	28.00		28.00	
(ii) Others	128.42	156.42	114.64	142.64
Total		**255.00**		**142.64**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.8 TRADE PAYABLES

Particulars	As at 31st March 2012	As at 31st March 2011
(i) Acceptances	3,297.80	3,594.44
(ii) Sundry Creditors for goods supplied / services rendered	6,837.93	3,804.13
	10,135.73	**7,398.57**

2.9 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2012	As at 31st March 2011
Current maturities of long- term debt		
- HDFC Bank	4,237.50	0.00
Current maturities of finance lease obligations	1.35	3.16
Interest accrued but not due on borrowings	28.87	17.87
Unpaid dividends / unclaimed dividends	46.41	33.92
Other Payables :		
Payables for Capital Expenditure	865.76	198.66
Accrued Salaries and Incentives		
Salaries and Benefits	136.35	101.26
Bonus and Incentives	1,818.87	1363.93
Taxes Payable	485.98	320.94
Trade Deposits and Advances	602.42	505.43
Provision for expenses	4,192.60	3,406.82
	12,416.11	**5,951.99**

2.10 SHORT-TERM PROVISIONS

Particulars	As at 31st March 2012	As at 31st March 2011
Provision for employee benefits	77.80	66.26
Provision for Wealth tax	2.63	0.00
Proposed Dividends	1,698.16	1,415.14
Provision for Dividend Tax	275.48	229.57
Provision for Income Tax	11,193.71	6,560.58
Total	**13,247.78**	**8,271.55**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.11 FIXED ASSETS-TANGIBLE

Description	GROSS BLOCK-COST/BOOK VALUE					DEPRECIATION/AMORTISATION				NET BLOCK	
	Total as at 31st March 2011	Additions/ adjustments during the year	Deductions/ adjustments during the year	Impairment/ (reversal) during the year	Total as at 31st March 2012	Total as at 31st March 2011	Provided during the year	Deductions/ adjustments during the year	Total as at 31st March 2012	As at 31st March 2012	As at 31st March 2011
Land:											
(a) Freehold	178.65	3,414.29	-	-	3,592.94	-	-	-	-	3,592.94	178.65
(b) Leasehold	257.78	-	-	-	257.78	14.01	2.86	-	16.87	240.91	243.77
Buildings:	2,418.51	3,928.19	12.62	-	6,334.08	890.09	126.20	0.38	1,015.91	5,318.17	1,528.42
Plant & Machinery	3,920.87	2,991.44	8.03	-	6,904.28	2,587.85	290.39	6.12	2,872.12	4,032.16	1,333.02
Electrical Installations	400.33	311.54	-	-	711.87	136.48	25.82	-	162.30	549.57	263.85
Tools,Moulds & Dies	461.87	149.70	-	-	611.57	257.50	31.80	-	289.30	322.27	204.37
Furniture and Fixtures	368.11	285.78	-	-	653.89	235.00	31.94	-	266.94	386.95	133.11
Office equipment	456.60	166.54	-	-	623.14	249.78	44.71	-	294.49	328.65	206.82
Vehicles											
- Owned	59.85	264.82	5.72	-	318.95	14.86	15.86	4.92	25.80	293.15	44.99
- Leased	123.73	-	119.54	-	4.19	120.69	1.95	119.54	3.10	1.09	3.04
TOTAL	**8,646.30**	**11,512.30**	**145.91**	**-**	**20,012.69**	**4,506.26**	**571.53**	**130.96**	**4,946.83**	**15,065.86**	**4,140.04**

Note :
A portion of the Building of the Coimbatore plant has been demolished as a part of the overall expansion plan. The value of the same (₹ 12.23 lakhs) has been fully depreciated during the year.

2.12 FIXED ASSETS-INTANGIBLE

Description	GROSS BLOCK-COST/BOOK VALUE					DEPREICATION/AMORTISATION				NET BLOCK	
	Total as at 31st March 2011	Additions/ adjustments during the year	Deductions/ adjustments during the year	Impairment/ (reversal) during the year	Total as at 31st March 2012	Total as at 31st March 2011	Provided during the year	Deductions/ adjustments during the year	Total as at 31st March 2012	As at 31st March 2012	As at 31st March 2011
ERP - SOFTWARE	273.69	0.00	0.00	0.00	273.69	220.88	52.81	0.00	273.69	0.00	52.81

2.13 Capital Work in Progress

Description	GROSS BLOCK-COST/BOOK VALUE					DEPREICATION/AMORTISATION				NET BLOCK	
	Total as at 31st March 2011	Additions/ adjustments during the year	Deductions/ adjustments during the year	Impairment/ (reversal) during the year	Total as at 31st March 2012	Total as at 31st March 2011	Provided during the year	Deductions/ adjustments during the year	Total as at 31st March 2012	As at 31st March 2012	As at 31st March 2011
Capital Work in Progress	3906.00	10579.00	6548.36	0.00	7936.64	0.00	0.00	0.00	0.00	7936.64	3906.00

Note : Capital Work in Progress includes :

a) Dooravaninagar Property devolpment amount of ₹ 2375.42 lakhs(Previous year :₹ 2319.78 lakhs)

b) Interest on Loan capitalised ₹ 101.51 lakhs as per AS-16.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.14 NON-CURRENT INVESTMENTS

Particulars	As at 31st March 2012	As at 31st March 2011
NON-TRADE INVESTMENTS		
(i) Investment in Equity Instruments		
a) TTK Healthcare Limited, (Group Company)		
1440 shares fully paid up, Face Value of ₹ 10/- per share)	1.65	1.65
b) Prestige Houseware (India) limited		
373805 shares fully paid up, Face Value of ₹ 10/- per share)	37.38	37.38
Total	**39.03**	**39.03**
Notes:-		
1. All Non Trade investments are valued at cost		
2. Quoted Investments:		
Aggregate Amount	1.65	1.65
Market Value	5.63	5.80
3. Unquoted Investments:		
Aggregate Amount	37.38	37.38

2.15 LONG-TERM LOANS AND ADVANCES:

Particulars	As at 31st March 2012	As at 31st March 2011
(A) Capital Advances		
- Unsecured, Considered good	748.00	1,044.02
(B) Security Deposits:		
- Unsecured, Considered good	220.31	145.83
Total	**968.31**	**1,189.85**

2.16 CURRENT INVESTMENTS

Particulars	As at 31st March 2012	As at 31st March 2011
Investments in Mutual Funds;		
Short Term Income Fund	0.00	2218.97
Total	**0.00**	**2218.97**

2.17 INVENTORIES:

Particulars	As at 31st March 2012	As at 31st March 2011
(a) Raw-materials	3,862.46	2,549.17
(b) Work in Progress	559.45	380.77
(c) Finished Goods	4,136.47	2,638.12
(d) Stock in trade	8,695.71	4,821.44
(e) Stores and spares	235.53	114.80
Total	**17489.62**	**10504.30**

Mode of Valuation:

Inventories are valued at lower of cost,computed on a weighted average basis and estimated net realisable value,after providing for cost of obsolescene and other anticipated losses, wherever considered necessary. Finished Goods and Work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.18 TRADE RECEIVABLES:

Particulars	As at 31st March 2012		As at 31st March 2011	
(A) Trade receivables outstanding for a period less than six months from the date they are due for payment				
From the date they are due:				
(i) Secured, considered good	0.00		0.00	
(ii) Unsecured, considered good	10,484.55		7232.91	
(iii) Doubtful	0.00		0.00	
Less:- Allowance for Bad and Doubtful Debts	0.00	10484.55	0.00	7232.91
(B) Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
(i) Secured, considered good				
(ii) Unsecured, considered good	119.17		232.39	
(iii) Doubtful	198.60		175.73	
Less:- Allowance for Bad and Doubtful Debts	198.60	119.17	175.73	232.39
Total		**10603.72**		**7465.30**

2.19 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2012	As at 31st March 2011
(A) Balances with Banks:		
(I) Earmarked Bank Balances:		
Unpaid dividend bank account	46.41	33.92
(II) Bank Balances held as margin money or as security against:		
(i) Letter of Credit	389.03	551.50
(ii) Other Commitments	21.40	34.00
(III) Other Bank Balances:		
(i) Others including balances in current account	1,772.97	4732.34
(B) Cash on hand	4.05	2.48
Total	**2,233.86**	**5354.24**

2.20 SHORT-TERM LOANS AND ADVANCES:

Particulars	As at 31st March 2012	As at 31st March 2011
Secured, considered good-Loan to Contract manufacturer	725.00	0.00
Unsecured, considered good:		
- Advance Income Tax	11360.08	6678.40
- Balances with Excise and Sales Tax Authorities	189.06	207.87
- Advances to Employees	14.35	5.96
- Others : (Advance for goods purchased, prepaid expenses & other trade advances)	1688.34	750.65
Total	**13976.83**	**7642.88**

2.21 OTHER CURRENT ASSETS

Particulars	As at 31st March 2012	As at 31st March 2011
Interest accrued on investments/Deposits	45.32	33.47
Total	**45.32**	**33.47**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

Particulars	For the year ended 31.03.2012		For the year ended 31.03.2011	
2.22 Other income				
(a) Interest Income	82.29		193.71	
(b) Dividend Income	46.15		66.32	
(c) Commission Receipts	111.97		114.41	
(d) Bad Debts recovered	29.55		36.85	
(e) Profit on Sale of Assets	17.37		0.31	
(f) Other non-operating income	20.84	**308.17**	15.25	**426.85**
2.23 Expenses:				
Employee benefits expense				
(i) salaries and wages	6458.06		4648.52	
(ii) contribution to provident and other funds	316.08		291.01	
(iii) staff welfare expenses.	522.13	**7,296.27**	361.17	**5300.70**
2.24 Finance costs				
Interest expense		**564.26**		**75.53**
[includes ₹ 4.20 lakhs paid to Directors (P.Y. ₹ 4.20 Lakhs)]				
2.25 Other expenses				
(a) Consumption of stores and spare parts	294.03		191.25	
(b) Power and fuel	804.63		632.32	
(c) Rent	260.35		153.37	
(d) Repairs to buildings.	87.90		55.84	
(e) Repairs to machinery	120.03		80.44	
(f) Donations	105.00		80.00	
(g) Insurance	46.68		40.24	
(h) Rates and taxes, excluding, taxes on income.	42.73		58.61	
(i) Miscellaneous expenses,	1,090.23		786.37	
(j) Sundry Manufacturing Expenses	371.55		293.19	
(k) Repairs & Maintenance to other assets	199.87		151.20	
(l) Travelling & Conveyance	765.34		579.80	
(m) Motar Vehicle expenses	74.45		65.88	
(n) Additional Sales Tax/TOT/	6.94		1.93	
(o) Bank Charges	470.73		367.39	
(p) Carriage Outwards	3,939.13		2700.90	
(q) Directors Sitting Fees	12.20		9.00	
(r) Legal & Professional Charges	142.71		125.95	
(s) Postage & Communication Expenses	144.05		119.73	
(t) Printing & Stationery	76.01		65.24	
(u) Entertainment Expenses	0.76		1.62	
(v) Advertisement & selling Expenses	7,139.52		5275.73	
(w) Distribution Expenses	1,797.76		1228.69	
(x) Discounts and scheme	6,055.22		4767.52	
(y) Provision for Bad Debts	51.82		50.02	
(z) Loss on Demolition of Building	12.23	24,111.87	10.13	17892.36
a(a) Net gain or loss on foreign currency transaction and translation (other than considered as finance cost);		(80.66)		(3.28)
a(b) Payments to the auditor as:				
(a) auditor	16.85		16.54	
(b) for taxation matters,	3.17		1.50	
(c) for other services	1.88		1.38	
(d) for reimbursement of expenses	0.25	22.15	0.25	19.67
Total		**24,053.36**		**17908.75**
2.26 Extraordinary Items				
Compensation paid under Voluntary separation scheme		**0.00**		**(58.50)**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.27. Figures are given in Lakhs. Previous year figures are given in brackets.

2.28. Break-up of Major Raw Materials Consumed-Manufactured Goods

Particulars	
Raw materials	**Consumption**
Aluminum	9389.17
	(6911.99)
Stainless Steel	1406.05
	(1048.27)
Components, Packing Material etc	13861.77
	(10591.42)
Total	**24656.99**
	(18551.68)

2.29. Break-up of Purchases of Stock-in-Trade

Particulars	
Goods Purchased	
Non Stick Cookware	9827.28
	(4283.48)
Gas Stoves	6501.45
	(5299.86)
Kitchen Electrical Appliances	24002.68
	(13841.68)
Others	2352.52
	(2199.19)
Total	**42683.93**
	(25624.21)

2.30. Break-up of Sales, Closing and Opening value of Inventories

Particulars	Sales Values	Closing Inventory	Opening Inventory
Manufactured Goods			
Pressure Cookers	41321.02	3368.69	1846.84
	(31690.38)	(1846.84)	(977.82)
Non Stick Cookware	7589.85	598.50	719.11
	(7128.72)	(719.11)	(537.57)
Gas Stoves	3.55	5.43	3.17
	(0.00)	(3.17)	(0.00)
Kitchen Electrical Appliances	933.17	163.85	69.00
	(127.02)	(69.00)	(0.00)
Total	**49847.59**	**4136.47**	**2638.12**
	(38946.12)	**(2638.12)**	**(1515.39)**

Traded Goods	Sales Values	Closing Inventory	Opening Inventory
Non Stick Cookware	14879.77	1906.63	545.94
	(8270.43)	(545.94)	(462.77)
Gas Stoves	10079.95	941.88	814.04
	(8084.93)	(814.04)	(619.91)
Kitchen Electrical Appliances	34010.16	4685.97	2730.81
	(19164.32)	(2730.81)	(1380.68)
Others	2808.16	1161.23	730.65
	(2655.76)	(730.65)	(481.89)
Total	**61778.04**	**8695.71**	**4821.44**
	(38175.44)	**(4821.44)**	**(2945.25)**
Grand Total	**111625.63**	**12832.18**	**7459.56**
	(77121.56)	**(7459.56)**	**(4460.64)**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.31. Imported & Indigenous Raw materials, components & spares consumed:

Particulars	2011-12		2010-11	
Imported & Indigenous Raw materials, components & spares consumed	Value	%	Value	%
Imported	2896.74	11.75	1799.21	9.70
Indigenous	21760.25	88.25	16752.47	90.30
Total	**24656.99**	**100.00**	**18551.68**	**100.00**

2.32. The previous year's figures have been regrouped and reclassified wherever necessary to make them comparable with the figures of the current year.

2.33. a) The company has created a Trust which has taken a Group Gratuity Policy with the Life Insurance Corporation of India for future payment of gratuity to retired / resigned employees. Based on the actuarial valuation, provision has been made for the full value of the gratuity benefits as per the requirements of Accounting Standard 15 (AS-15) (Revised) issued by The Institute of Chartered Accountants of India.

b) The Company contributes to a Superannuation Fund covering specified employees. The Contributions are by way of annual premia payable in respect of a superannuation policy issued by the Life Insurance Corporation of India, which confers benefits to retired / resigned employees based on policy norms. No other liabilities are incurred by the Company in this regard.

c) Leave encashment benefit has been charged to Profit & Loss account on the basis of actuarial valuation as at the yearend in line with the Accounting Standard (AS -15) (Revised) issued by the Institute of Chartered Accountants of India.

As per Accounting Standard AS -15 (Revised) Employee Benefits, the disclosures as defined in the Accounting Standard are given below:

DEFINED CONTRIBUTION PLAN:

	2011-12	2010-11
Employers contribution to Provident Fund	188.79	157.07
Employers Contribution to Superannuation Fund	20.23	31.67

DEFINED BENEFIT PLAN:

The Employees' Gratuity fund scheme managed by a Trust is defined benefit plan.

The present value of obligation is determined based on actuarial valuation using Projected Unit Credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation as per Para 65 of the Accounting Standard AS - 15(Revised), issued by the Institute of Chartered Accountants of India.

The obligation for leave encashment is recognized in the same manner as gratuity.

Reconciliation of the Opening and closing balances defined benefit obligation

	Gratuity (Funded)		Leave Encashment (Funded)	
	2011-12	**2010-11**	**2011-12**	**2010-11**
Defined benefit obligation at the beginning of the year	864.03	751.34	175.46	159.09
Current service cost	55.31	43.71	10.94	6.94
Interest cost	69.12	56.21	14.04	11.94
Actuarial (gains) and losses on obligation	23.80	34.34	7.60	-2.51
Benefits paid	26.12	21.56	2.79	Nil
Defined benefit obligation at the end of the year	986.14	864.04	205.25	175.46

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

Reconciliation of the Opening and Closing balances of Fair Value of Plan Assets:

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2011-12	2010-11	2011-12	2010-11
Fair value of plan assets at the beginning of the year	691.97	587.31	115.36	79.88
Expected return on plan assets	68.32	59.52	11.74	9.35
Actuarial loss on plan assets	Nil	Nil	Nil	Nil
Contribution by the employer	63.33	66.70	14.19	26.13
Benefits paid	26.12	21.56	2.79	Nil
Fair value of plan assets at the end of the year	797.50	691.97	138.50	115.36

Reconciliation of the Fair Value of Assets and obligations

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2011-12	2010-11	2011-12	2010-11
Fair Value of Plan assets	797.50	691.97	138.50	115.36
Present value of obligation	986.14	864.04	205.25	175.46
Amount recognized in Balance sheet	188.64	172.07	66.75	60.10

Expenses recognized during the year:

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2011-12	2010-11	2011-12	2010-11
Current Service Cost	55.31	43.71	10.94	6.94
Interest Cost	69.12	56.21	14.04	11.94
Expected return on plan assets	68.32	59.52	11.74	9.34
Actuarial loss (gain)	23.80	34.34	7.60	(2.51)
Net Cost	79.91	74.74	20.84	7.03

Actuarial Assumptions:

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	2011-12	2010-11	2011-12	2010-11
	1994-96	1994-96	1994-96	1994-96
Mortality Table (LIC)	Ultimate	Ultimate	Ultimate	Ultimate
Discount Rate (p.a.)	8.00%	8.00%	8.00%	8.00%
Expected return on plan assets (p.a.)	10.00%	10.00%	7.50%	7.50%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%	8.00%	8.00%

The estimate of rate of escalation in salary considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

2.34. Fringe Benefit Tax (till the time of abolition) was paid under protest, since the matter is pending before The Hon'ble Supreme Court of India. In case of a favorable decision, the company would be entitled to seek refund of the same. Amount: ₹197.37 Lakhs (P/Y:₹ 197.37 lakhs).

2.35. Earnings in Foreign Exchange:

Particulars	2011-12	2010-11
On account of Export Sale less returns calculated:		
a) at FOB basis	3395.90	2606.86
b) at CIF Basis	3396.58	2608.13

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

2.36. Expenditure in Foreign Currency:

Particulars	2011-12	2010-11
1. Travelling Expenses	7.43	6.36
2. Other Expenses	139.71	79.88
3. CIF Value of Imports of raw-materials, components and finished goods	23303.77	12583.18
4. Import of Capital Goods	2630.06	0.00

2.37. Based on data received from Vendors, the amount due to MSMED is ascertained as ₹ 1298.13 lakhs. There are no over dues.

2.38. The company has two segments namely Kitchen Appliances and Property & Investment for reporting purposes.

2.39. Disclosure as per Accounting Standard 19

The company has acquired certain items of Vehicles on Financial Lease on or after April 1, 2008 amounting to ₹ Nil (Previous year - ₹ Nil)

The Minimum lease rental outstanding as of 31st March 2012 in respect of these assets is as follows :

	Total Minimum lease Payment outstanding as on		Future interest on outstanding lease payments as on		Present value of Minimum lease payments as on	
Particulars	**31.03.2012**	**31.03.2011**	**31.03.2012**	**31.03.2011**	**31.03.2012**	**31.03.2011**
Within One year	1.35	3.16	0.13	0.40	1.22	2.76
Later than one year and not later than 5 Years	0.33	1.67	0.07	0.14	0.32	1.53
Later than 5 years		-		-		-

2.40. Related party transactions as per accounting standard-18:

(a) The Company has transactions with the following entities.

Associates:

Prestige Housewares India Limited:

Others:

TTK Health Care Limited, Peenya packaging Products, TTK LIG Limited, T.T. Krishnamachari & Co., TTK Services (P) Limited, Manttra Inc., USA

Key Management Personnel and their relatives:

Mr. T.T. Jagannathan, Mr. T.T. Raghunathan , Mr.S.Ravichandran, Mr. K. Shankaran, Dr.(Mrs.) Latha Jagannathan, Dr. T.T. Mukund, Mr. T.T. Lakshman, Mr. T.T. Venkatesh and Ms. Bhanu Raghunathan

(b) Summary of the transactions with the above related parties is as follows:

Particulars	Associates/Others	Key Management Personnel & Relatives	Total
Sales	127.02		127.02
Purchases	509.77		509.77
Salary		1442.23	1442.23
Interest Payments		5.00	5.00
Others	1736.76	7.74	1744.50

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

(₹ IN LAKHS)

(C) Balances outstanding as on 31.3.2012

Particulars	Associates/Others	Key Management Personnel & Relatives
Fixed Deposits (due by the company)	-	50.00 (50.00)
Amount due to the company against supplies	19.51 (0.00)	-
Amount Owed by company against purchases	75.49 (79.96)	-
Investments	39.03 (39.03)	-
Other Current Liabilities	67.83 (61.16)	1315.81 (964.99)

2.41. Earnings per share as per accounting standard 20 (AS-20)

Particulars	31.03.2012	31.03.2011
Profit after tax as per Profit & loss a/c before extra-ordinary items (net of tax)	11335.80	8429.77
Weighted Average number of Equity Shares used as Denominator for calculating EPS (in lakhs shares)	113.21	113.20
Earnings Per Share of ₹ 10/- each		
Before Extra - ordinary items (₹)	100.13	74.46
After Extra - ordinary items (₹)	100.13	73.98

2.42. Disclosure required by AS 29' Provisions, Contingent Liabilities and Contingent Assets.

a) Movement in Provisions (figures in brackets are in respect of the previous year)

Particulars	As at 01.04.2011	Additions	Amount used	As at 31.03.2012
Income Tax	6560.58 (3465.92)	4633.13 (3645.76)	0 (551.10)	11193.71 (6560.58)
Fringe Benefit Tax	186.70 (186.70)	Nil (Nil)	Nil (Nil)	186.70 (186.70)
Gratuity/Leave Encashment	232.17 (243.24)	31.26 (34.35)	8.04 (45.42)	255.39 (232.17)
Warranties	521.81 (277.12)	366.99 (281.52)	113.49 (36.83)	775.31 (521.81)

2.43. CONTINGENT LIABILITIES AND COMMITMENTS:

Particulars	As at 31st March 2012	As at 31st March 2011
A) Contingent Liabilities		
(a) Guarantees/LC	3203.60	3701.89
(b) Tax matters under appeal (IT/ST/ED etc)	668.52	773.00
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	10894.13	4581.70

As per our report attached
For **Messrs. S. VISWANATHAN**
Chartered Accountants
Firm's Registration Number : 004770S

C.N. SRINIVASAN
Partner
Membership No. 18205

Coimbatore
May 04, 2012

For and on behalf of the Board

T. T. Jagannathan
Executive Chairman

S. Ravichandran
Managing Director

Dileep K. Krishnaswamy
Director

K. Shankaran
Director & Secretary

V. Sundaresan
Senior Vice President - Finance

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	**REGISTRATION DETAILS**		
	Registration Number (CIN)		L85110TZ1955PLC0 15049
	Balance Sheet Date		31.03.2012
II	**CAPITAL RAISED DURING THE YEAR**		(Amount in Lakhs)
	Public Issue		Nil
	Rights Issue		Nil
	Bonus Issue		Nil
	Private Placement		Nil
III	**POSITION OF MOBILSATION AND DEPLOYMENT OF FUNDS**		(Amount in Lakhs)
	Total Liabilities		68359.19
	Total Assets		68359.19
	Sources of Funds		
	Paid up capital		1133.47
	Reserves & Surplus		27377.01
	Secured Loans		5748.58
	Unsecured loans		217.25
	Application of Funds		
	Net Fixed assets		23002.50
	Investments		39.03
	Net Current and Non Current Assets		
	Current and Non Current Assets	45317.66	
	Less :Current and Non Current Liabilities	33882.88	11434.78
IV	**PERFORMANCE OF THE COMPANY**		
	Turnover		112271.17
	Total Expenditure		94408.48
	Profit/(loss) before Tax		16323.95
	Profit/(loss) after Tax		11335.80
	Earnings Per Share (in ₹)		100.13
	Dividend Rate %		150%

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)	Product Description
76151910, 73239310 and 39241090	Pressure Cookers
76151920	Non-stick Cookware
73211110	Gas Stoves

As per our report attached
For **Messrs. S. VISWANATHAN**
Chartered Accountants
Firm's Registration Number : 004770S

C.N. SRINIVASAN
Partner
Membership No. 18205

Coimbatore
May 04, 2012

For and on behalf of the Board

T. T. Jagannathan
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Director

K. Shankaran
Director & Secretary

V. Sundaresan
Senior Vice President - Finance

SEGMENT WISE REVENUE RESULTS & CAPITAL EMPLOYED

(₹ IN LAKHS)

Particulars	2011-12	2010-11
SEGMENT REVENUE		
Kitchen Appliances		
Gross sales	112271.17	77557.77
Less: Excise Duty	1927.54	1201.48
Net Sales / Income from Operations	110343.63	76356.29
Property&Investment	79.84	79.84
Total Segmental Revenue	110423.47	76436.13
Less; Inter-Segment Revenue	-79.84	-79.84
Net Sales / Income from Operations	110343.63	76356.29
SEGMENT RESULTS		
{Profit(loss) before Interest & Tax}		
Kitchen Appliances	16815.24	12094.41
Property&Investment	72.97	75.00
Total Segment Results	16888.21	12169.41
Less: Interest Expenses	564.26	75.53
Less: Unallocable Expenses (Net of unallocable income)	0.00	0.00
Total Profit (+) / Loss (-) from ordinary activities before tax and Exceptional items	16323.95	12093.88
Less: Exceptional items - VRS Compensation	0.00	58.50
Total Profit (+) / Loss (-) from ordinary activities before tax and after exceptional items	16323.95	12035.38
Extra-ordinary income (net of tax expense)	0.00	0.00
Total Profit (+) / Loss (-) from ordinary activities before tax and after extraordinary items	16323.95	12035.38

RECONCILIATION OF TOTAL CAPITAL EMPLOYED VS. CAPITAL EMPLOYED IN SEGMENTS

	2011-2012	2010-2011
Total Non Current Assets	21595.39	6968.92
Total current Assets	44349.35	31000.19
Investments	0	2218.97
Capital Work in Progress (Dooravani Nagar)	2375.42	2319.78
Sub-Total	68320.16	42507.86
Less :Total Current Liabilities(excluding Provision for Dividend)	29588.48	19977.40
Sub-Total	38731.68	22530.46
Less :Total Non Current Liabilities	2320.76	1551.90
Total Capital Employed in the Company	**36410.92**	**20978.56**
SEGMENTWISE CAPITAL EMPLOYED		
Kitchen Appliances	33982.32	18603.23
Property & Investment	2428.60	2375.33
	36410.92	**20978.56**

Notes :

Segments have been identified in line with Accounting standard on Segment Reporting (AS-17), considering the organisation structure and differential risks and returns.

The different Business segments identified are :(a) Kitchen Appliances (b) Property & Investment.

The Segmentwise Revenue,Results and capital employed figures relate to respective amounts directly identifiable to each of the segments.

HISTORICAL FINANCIAL HIGHLIGHTS

Prepared as per conventional method to facilitate comparison

(₹ IN LAKHS)

	HISTORICAL DATA	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003
PERFORMANCE											
1	Total Income	**111625.63**	77987.90	51794.37	41670.58	34134.83	29391.17	23185.24	19182.58	15246.28	11330.62
2	Profit before Interest, Depreciation, Extra ordinary items & tax	**17512.55**	12595.49	7616.25	3813.01	3278.60	2578.63	1950.47	1219.69	1170.75	(611.48)
3	Interest	**564.26**	75.53	114.14	565.07	767.48	687.92	550.49	636.32	921.18	953.58
4	Depreciation	**624.34**	426.08	358.94	347.58	384.48	220.08	188.59	186.98	183.37	177.18
5	Profit / (Loss) before extra ordinary items	**16323.95**	12093.88	7143.17	2900.36	2126.64	1670.63	1211.39	396.39	66.20	(1742.24)
6	Extra - ordinary/Exceptional Items	**0.00**	(58.50)	397.23	0.00	319.83	(11.29)	(11.29)	(11.29)	(11.29)	0.00
7	Profit before tax	**16323.95**	12035.38	7540.40	2900.36	2446.47	1659.34	1200.10	385.10	54.91	(1742.24)
8	Taxation Provision	**4988.15**	3660.22	2296.60	662.25	379.95	482.67	488.63	3.76	33.60	(595.00)
9	Profit / (Loss) After tax	**11335.80**	8375.16	5243.80	2238.11	2066.52	1176.67	711.47	381.34	21.31	(1147.24)
10	Dividend provision	**1698.16**	1415.14	1131.99	565.99	397.19	340.45	283.34	226.64	0.00	0.00
11	Dividend Tax	**275.48**	229.57	188.01	96.19	67.50	57.86	39.74	29.62	0.00	0.00
12	Dividend Declared %	**150.00**	125.00	100.00	50.00	35.00	30.00	25.00	20.00	0.00	0.00
Sources & Application of Funds											
Sources											
1	Share Capital	**1133.47**	1133.47	1133.41	1133.41	1133.40	1133.39	1133.37	1133.18	1133.18	1133.18
2	Reserves & surplus	**27377.01**	18014.85	11283.92	7331.26	5755.29	4377.06	3598.54	3228.75	3103.67	3444.10
3	Loan Funds	**5965.83**	224.56	279.92	2069.39	4687.33	7352.87	5724.83	6494.66	7645.40	8086.27
Total		**34476.31**	19372.88	12697.25	10534.06	11576.02	12863.32	10456.74	10856.59	11882.25	12663.55
Application											
4	Fixed Assets WDV incl assets kept for disposal	**23750.51**	9142.87	6400.35	5957.60	5661.15	3582.74	2525.39	2506.48	3187.97	3074.25
5	Investments	**39.03**	2258.00	39.03	39.03	39.03	1812.24	1812.24	1512.79	1512.79	1701.05
6	Net Current Assets	**11367.61**	8297.82	6569.22	4851.55	6183.39	7762.81	6149.86	6502.10	6824.09	7225.30
7	Miscellaneous Expenses	**0.00**	0.00	0.00	0.00	0.00	11.29	22.57	33.86	45.14	33.70
8	Deferred Tax Asset (Liability)	**(680.84)**	(325.81)	(311.35)	(314.12)	(307.55)	(305.76)	(53.32)	301.36	312.26	629.25
Total		**34476.31**	19372.88	12697.25	10534.06	11576.02	12863.32	10456.74	10856.59	11882.25	12663.55

Date :
Mail this form to
Karvy Computershare (P) Limited
(Unit : TTK Prestige Limited)
Plot No. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.

Dear Sirs,

MANDATE FORM - ELECTRONIC CLEARING SERVICE (ECS)

I hereby consent to have the amount of dividend on my equity shares credited through the Electronic Clearing Service (Credit Clearing) - (ECS). The particulars are :

1. Shareholder's Name
2. Client ID / Folio No.
3. D.P. ID
4. Address

5. Particulars of Bank Account
   a) Bank Name
   b) Branch Name & Address
   c) 9-Digit Code Number of the Bank appearing on the MICR Cheque issued by the Bank
   d) Account No. (as appearing in the Cheque Book)
   e) Account Type (SB / CA / CC)
6. Date from which the mandate should be effective

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I/We shall not hold the Company responsible. I also undertake to advise changes, if any in the particular of my account to facilitate updation of records for purposes of credit of dividend amount through ECS.

Signature of the shareholder(s)

Note :
1. Please complete this form and send it to Karvy Computershare (P) Limited
2. In case of more than one client Id / Folio please complete the details on separate sheets.
3. ECS facility, at present may be availed by Members for a dividend amount upto ₹ 5,00,000, subject to the rules and regulations of the Scheme of ECS of the Reserve Bank of India from time to time.
4. Please inform your Depository Participant (DP) of any changes in Bank Account details.

Bank's Stamp
Date :

Signature of the Authorised Official of the Bank

TTK PRESTIGE LIMITED

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

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full Name of the member attending .....

Full Name of the first joint holder .....

(To be filled in if first named joint-holder does not attend the meeting)

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 56th ANNUAL GENERAL MEETING of the Company to be held on Friday, 2nd July, 2012 at Rennaaissancce Sarovar Portico, No. 422, SIPCOT Phase II, Bangalore Road, Hosur - 635109.

Ledger Folio / Client ID No. .....

No. of Shares held ....

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

Note : Members are requested to bring their copies of the Annual Report to the Meeting.
As per the policy of the Company no Gifts will be given at the Annual General Meeting.

TTK PRESTIGE LIMITED

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

PROXY

I / We.....

of .....

in the district of .....

being a member / members of TTK PRESTIGE LIMITED, hereby appoint .....

of ..... in the district of

.....or failing him ..... in the district of

..... as my / our proxy to vote for me / us on my / our behalf at the Fifty Sixth Annual General Meeting of the Company to be held on 2nd July, 2012 and at any adjournment thereof.

Signed this ..... day of.....2012.

Ledger Folio / Client ID No. .....

No. of Shares held .....

Please affix Re. 1.00 Revenue Stamp

(Signature of Member)

Notes : Proxy must be deposited at the Registered Office of the Company not less than 48 HOURS before the commencement of the meeting.

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New Facility at Myleripalayam, Coimbatore

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