

**Transcript of the 62nd Annual General Meeting of Hawkins Cookers limited held  
on Thursday, August 4, 2022, through  
Video Conferencing/Other Audio Visual Means  
From 4:00 pm to 7:30 pm (IST)**

**Corporate Participants:**

**Mr. Subhadip Dutta Choudhury**, Chairman & Chief Executive Officer  
(Chairman of the Meeting)

**Mr. Sudeep Yadav**, Vice-Chairman & Chief Financial Officer

**Mr. Tej Paul Sharma**, Executive Director - Sales

**Mr. Neil Vasudeva**, Executive Director - Marketing

**Mrs. Susan M. Vasudeva**, Non-Executive Director

**General V. N. Sharma (Retd.)**, Independent Director

**Mr. E. A. Kshirsagar**, Independent Director

**Mr. Ravi Kant**, Independent Director

**Prof. Leena Chatterjee**, Independent Director

**Mr. M. A. Teckchandani**, Independent Director

**Other key executives and senior management and Members**

**Welcome Address: Subhadip Dutta Choudhury:** Good afternoon all. I request Mr Brahmananda Pani, who is our Company Secretary, to confirm whether we have the requisite quorum of 30 shareholders.

**Mr. Brahmananda Pani:** Yes Sir, we have the required quorum.

**Subhadip Dutta Choudhury:** Ladies and Gentlemen, its now 4:00 pm, a very Good afternoon to all of you and this is the time fixed for the 62nd Annual General Meeting of Hawkins Cookers Limited. I extend a warm welcome to you all, since I find the required quorum of 30 Shareholders as per the Companies Act, 2013, I call this meeting to order.

The first item that I would like to take up is a condolence for the sad demise of Mr. Gerson Da Cunha who was an Independent Director of this Company. Mr. Gerson Da Cunha passed away on January 7, 2022, at the age of 92 years. He was first appointed as a Director on the Board of the Company on June 27, 1992. The Company has immensely benefitted from Mr. Gerson Da Cunha's communication and marketing expertise and not only those as well as his sagacious advice on all matters during his tenure of 29 years with this Company. When I joined the board, Gerson was already on the Board of this Company. I have learnt a lot from Mr. Gerson da Cunha's advice and the way he used to look at things.

I would also like to inform our Shareholders that Mr. Sudeep Yadav, Vice-Chairman and CFO, Mr. Tej Paul Sharma, Executive Director - Sales, Mr. Neil Vasudeva, Executive Director - Marketing, Mrs. Susan M. Vasudeva, Non-Executive Director, Gen. V. N. Sharma (Retd.), Independent Director, Mr. Ravi Kant, Independent Director, Mr. E. A. Kshirsagar,

Independent Director, Prof. Leena Chatterjee, Independent Director, and Mr. M. A. Teckchandani, Independent Director, have joined this AGM.

I would also like to inform you that Mr. Farhad Bhesania, Partner, and Mrs. Anahita Dara Bamboat, Associate Director, from M/s. Kalyaniwalla & Mistry LLP, our Statutory Auditors, and Mrs. Jayshree S. Joshi, from M/s. Jayshree Dagli & Associates, our Secretarial Auditor, are also attending the Meeting through Video Conferencing.

### **Procedural and Technical Aspects of the AGM:**

We are holding the AGM through Video Conference in compliance with the MCA and SEBI Circulars. I would like to spare a few minutes to take you through certain procedural and technical aspects. The facility of participation in this AGM is made available for 1000 Members on a first-come-first-served basis. All the Members who have joined the AGM are placed on mute by default to avoid any disturbance arising from the background noise and to ensure smooth conduct of the Meeting. Once the Question and Answer session starts, when we get to the resolution on the annual accounts, we will announce the name of the Shareholders one by one amongst those who show their interest to speak by clicking on the 'Raise Hand' button on the screen. The 'Raise Hand' button appears as the second option on the bottom of the screen. Mr. Sudeep Yadav will promote you as a panelist, thereafter you will see a 'Join as Panelist' button; you are required to click on it and switch on your video. We will also be able to see you as you ask your question. Once the questions have been asked by the Shareholder he is requested to again click on the 'Raised Hand' toggle button to stop the hand raise. We will take all the questions at one go and then we will answer them altogether; that will have the advantage of the same question not being repeated and save us time. In case any Shareholder faces any technical issues during the meeting, he may contact NSDL at the numbers mentioned in the Notice of the AGM or try getting in touch with us.

**Proxies:** Pursuant to the Circulars issued by the Ministry of Corporate Affairs and the SEBI, the facility to appoint a proxy to attend and cast vote for a Member is not available for this AGM.

### **The Registers placed at the meeting:**

As required under the Companies Act, 2013, the following Registers are kept open for inspection by the Members till the end of this Meeting:

- (i) The Register of Directors and Key Managerial Personnel and their shareholding.
- (ii) Register of Contracts or arrangements in which Directors and Key Managerial Personnel are interested.

You can inspect the above Registers at the inspection link on the e-voting platform of NSDL.

You can also inspect all the documents referred to in the Notice of the AGM at the said link.

I would like to read the Chairman's speech to the Shareholders. The speech will also be displayed on your screen so that you can follow the speech better.

Mr. Dutta Choudhury then read out his speech: ***"On the Other Side of the Pandemic."***

The Notice of the AGM has been circulated to the Members and I take the Notice of this meeting as read.

The next item is the Statutory Auditors' Report and the Secretarial Auditor's Report. As there are no qualifications, observations or comments on financial transactions or matters which could have any adverse effect on the functioning of the Company in the Statutory Auditors' Report and the Secretarial Auditor's Report, therefore the said Reports are not required to be read.

I would like to request the statutory auditor, Mr. Farhad Bhesania, to confirm this.

**Mr. Farhad Bhesania:** Yes, I confirm.

**Mr. Subhadip Dutta Choudhury:** Thank you.

I would also like to request the secretarial auditor, Mrs. Jayshree Joshi, to confirm this.

**Mrs. Jayshree Joshi:** There are no adverse or qualification remarks in the secretarial audit report. It's a clean report.

**Mr. Subhadip Dutta Choudhury:** Thank you.

The next aspect is the voting procedure. The Company is providing an opportunity of voting at the AGM through e-voting for those Members who have not exercised their votes through remote e-voting and these votes will be added to the votes cast through remote e-voting. The Board has appointed Mrs. Jayshree S. Joshi, Practicing Company Secretary, as Scrutinizer for that purpose.

You may vote on each of the eight resolutions by visiting the e-voting page of NSDL, after the resolutions are read out and put to vote. A time of 15 minutes will be given for e-voting after we have read out all the resolutions. For those of you who have joined at 4:00 clock, we had played a show reel for 15 minutes before the start of the meeting which we will show you again at that time. You can then see the show reel.

Let me now go on to the resolutions. The first resolution is the Adoption of the Audited Financial Statements. I would at this stage like to invite comments on the Financial Statements for the year ended March 31, 2022, from the Members before putting the resolution to vote. I would request Mr. Sudeep Yadav to admit the shareholders who have any questions one by one. I request the Shareholder to state their name, and if you are representing the organisation then the name the organisation as well and then ask your questions. We will note all the questions and give a consolidated answer at the end of all the questions. Over to you Sudeep.

### **Questions**

**Sudeep Yadav:** Thank you Subhadip. I am going to one by one promote the attendees who have raised their hands to a panelist. When I do that, you will see the button "*Join as panelist*" click on that and then activate your camera and microphone and then please ask your questions. The first person I am going to do this for is Disha Sheth. Disha, I am promoting you to a panelist.

**Disha Sheth:** Sir. Am I audible?

**Sudeep Yadav:** Yes.

**Disha Seth:** Good afternoon Sir. Congratulations on the good results for the first quarter. I have a list of questions. Sir, what is the demand for your cookers and cookware since we are

aware that pent up demand has mellowed down. What is the margin difference between the cooker and cookware segments and which has a higher margin between cookers and cookware? Currently our proportion of cooker to cookware is I believe 80% cooker and 20 % cookware. What is the target going forward in the coming 3 years? How much market share have we gained in the last 2 years. What is our growth expectation in exports going forward? Since we all know that aluminium prices have mellowed down and also you mentioned in your speech that the logistic cost has come down, we saw great margins in the first quarter of around 16%. Going forward what margins do we expect? Can 16% be the lowest margin in this year? Sir, since cooker as a segment is growing at a very slow space as a category how are we planning to increase our cooker sales? What are the Cooker and cookware market sizes of the Industry? What according to you would industry grow at in the coming 2 years? What are the levers to improve our margins? Can we increase cookware so that our margins increase? What are the expectations of sales growth in the coming 3 years? That's it from my side. Thank you, Sir.

**Sudeep Yadav:** Thank you Madam. I am first going to put you on mute and then move you to an attendee status.

**Sudeep Yadav:** I will now get the next participant, that is Nikhil Upadhyay. Nikhil I am going to promote you to a panelist, ask you to click on "*Join as Panelist*" and then switch on your microphone and video.

**Nikhil Upadhyay:** Can you hear me?

**Sudeep Yadav:** Yes, we can hear you. Would you like to put on your video. You are still not visible.

**Nikhil Upadhyay:** I think there is some issue with my video.

**Sudeep Yadav:** Okay.

**Nikhil Upadhyay:** Thanks a lot for the opportunity. Just a couple of questions. Sir, first in the Annual Report you have mentioned that there were 39 products launched this year. Is it the highest number of launches? How would you rate it in comparison to previous years? Which product categories have been in focus in the current year between cookers and cookware? What is the revenue split between cookers and cookware? What would be the contribution in the future for us? In the Last AGM, you had mentioned that you were looking to enter the electrical space and that our focus would be on giving quality products; if you would throw some light on this? How are we thinking about competition and incremental launches? What is the revenue split between different channels like modern trade, E-commerce and standard dealer distribution channel? In the last Annual Report you have mentioned that the dealer base had grown at 29%, how would you say it has moved this year? In the first Quarter despite sharp inflation we have been clocking very high gross margins so what is the kind of price increase in the first quarter? In comparison to competitors, as everyone has seen gross margin pressure have we taken price increase that is higher than the competitors? Can you throw some light on the E-commerce channel, and is it significantly discounted in terms of pricing? How do you look at this kind of competition? What do you think is the grade or quality of product which is been sold in cookers and cookware on the online channel since we have mentioned that we have not reduced the thickness or reduced the grade of metal? What is our strategy here going forward? Thanks a lot. This is it from my side.

**Sudeep Yadav:** Thank you Nikhil. Sagar, I will once again request you to move Nikhil to an attendee. The next attendee I am proposing to promote to a panelist to ask a question is

Jehangir. Jehangir, please click on '*Join as panelist*' and switch on your camera and microphone.

**Jehangir Batiwala:** Hello. Can you hear me sir?

**Sudeep Yadav:** Yes Jehangir, we can both hear you and see you.

**Jehangir Batiwala:** Thank you sir. Respected Chairman and CEO, Mr. Choudhury Sir, Vice-Chairman and CFO, Mr. Yadav Sir, distinguished Board Members, Company Secretary, Mr. Brahmananda Pani and fellow shareholders. Good evening. My name is Jehangir and it is a pleasure to be amongst you all. Sir, first and foremost let me thank you for giving the total dividend of Rs. 150 per share, i.e., Rs. 90 per share Interim dividend and Rs. 60 per share Final dividend. Compliments to the Company Secretary and his team for bringing out a lovely Annual Report which is simple, detailed, with pictures and adhering to all the norms of corporate governance. Sir, we have received our report on time. Sir, I must compliment Hawkins, that you have got your hand on the nerves of the housewives. You come out with such good models that are worth using. I am a very old shareholder of yours. This is the first time that I am interacting with you all. There is one main query in my mind since my childhood that why does Hawkins have a lid which goes inside and not an outside Fitting lid? I have used various Pressure Cookers, why does only Hawkins come with an internal lid? How is Hawkins placed it in terms of competition against the organised and unorganised players? Why do you want to get enter into cast iron products? Any new products you are planning to introduce? Lot of people want to buy Woks, do we have Woks of 5 litre? Where can we see all your products on display? What is the R & D spend that you plan in the next year? Do our cookers face the problem of bulging from the bottom? Can we introduce pressure cookers with glass lids? In the Annual Report, on the last page, the instruction manual is mentioned. Is the booklet available only with the cooker that we buy or is it for shareholders also? Where can the shareholders buy our products? Thank you sir for the patient hearing. Wishing you all the best for this festive season which is about to start.

**Mr. Subhadip Dutta Choudhury:** Sudeep, I have a question for Jehangir. You have asked certain questions – it will help me to answer better if I know which town you are based in.

**Jehangir Batiwala:** Andheri, Mumbai. Sir, next year please have a physical AGM, so that we can interact with you.

**Sudeep Yadav:** Thank you Jehangir for your compliments and wishes for the upcoming festive season for everybody.

**Jehangir Batiwala:** Okay Sir. One more thing – Mr. Rohinton Batiwala, who is also a registered speaker, would like to share some thoughts with you sir.

**Sudeep Yadav:** Jehangir, I will get him on. We will go in the order that the hands have been raised. Hope that is acceptable. Rohinton Batiwala has separately raised his hand.

**Jehangir Batiwala:** Thank you very much sir. It is a pleasure talking to you.

**Sudeep Yadav:** Thank you very much Jehangir. I am going to now move Sarfaraj Saiyad to a panelist. Sarfaraj, you will be required to click on '*Join as a Panelist*' and then switch on your audio and video.

**Sarfaraj Saiyad:** Hello.

**Sudeep Yadav:** We can hear you and see you.

**Sarfaraj Saiyad:** Respected Chairman and Board of Directors and my fellow shareholders, a very good evening. I am associated with Hawkins since the past 20 -25 days. Thank you for bringing Hawkins to such heights. I hope that the Company in future keeps growing. Thank you for giving the dividend of Rs. 60. Sir, I have a suggestion, the share price of Hawkins is around Rs. 5,000 per share, if you can increase the liquidity by issuing bonus shares it shall be beneficial to the small shareholders. That's it from my side. All the best for the future.

**Sudeep Yadav:** Thank you Sarfaraj. The next person is Santosh Kumar Saraf. Santosh if you can click on '*Join as a Panelist*' and please switch on your video and audio.

**Santosh Kumar Saraf:** Sir one minute.

**Sudeep Yadav:** Santosh ji, we can see you and hear you.

**Santosh Kumar Saraf:** Yes Sir, this is my third time online. I am pleased to see you all. Its my request to also send the link for videoconferencing meeting to us as sometimes the E-voting platform is congested. It took me 30 minutes to login. I am your shareholder since the IPO of the Company, and I have earned so much. I haven't sold the Company shares yet. I had invested about Rs. 350 and today I have 258 shares and you can conclude how much I have earned and the dividend is also handsome. You have given 150 % dividend this year. You had not given dividend in the year 2019-2020 and thereafter the Company gave interim dividends. You have given Rs 90 as interim dividend and final dividend only Rs 60 per share and showed us that it was Rs. 150 but I take it as Rs. 60 as dividend. There was no gap in the dividend except in the year when there was Covid. Your products are nice but they are of the same product type. TTK Prestige has launched many types of products. Even their share price has never gone down. Sir, I am not comparing please don't mind. They have also declared bonus shares in the past. Sir, I want that the Company declares Bonus shares as the Company has lot of reserves and there are no deficits of reserves. The Company can also do acquisition of some other company and we can do marketing of that company as well. Sir, you might have made arrangements to get organic growth by the Company. Sir single use plastic has been banned so what is the alternative that you are using? Sir, a request to you and also Mr. Sudeep Yadav to increase the ratio of female employees. Females are leading in every sector and showcasing their talent. In Hawkins also females are showcasing their talent and Mrs. Jayshree Dagli can recommend the female employees to Hawkins. Sir, the aged shareholders cannot attend the physical meetings. Hence I am requesting you to have hybrid meeting where the shareholders who stay outside can attend the meeting and share their thoughts for the Company. My blessings to all Directors, officers, and their families. 2022-23 is the year of wealth, health and full of prosperity. Sir, my last request is to please have hybrid meetings as your shareholders are not in one city, to listen to all the shareholders is your responsibility. Jai Bharat. Namaskar.

**Sudeep Yadav:** Thank you Santosh ji. The next shareholder I am promoting to a panelist is Anil Parekh.

**Anil Parekh:** Am I audible and visible?

**Sudeep Yadav:** Yes, you are audible and visible.

**Anil Parekh:** Good evening sir. Namaskar. I am very grateful to you and to Mrs. Neha Maheshwari to get back my last 7 years dividend. Hats off to the secretarial department. We miss the services of Mrs. Hutoxi Bhesania, who was earlier with us. Mrs. Bhesania and Mrs Maheshwari have helped me so much that now I have got my shares back in my folio. I am very pleased shareholder. Hello Sir, am I audible?

**Sudeep Yadav:** Yes, you are audible.

**Anil Parekh:** I am very thankful once again to the secretarial team. I am a shareholder of the Company since childhood, my father had bought the shares in my name. I am a proud shareholder getting handsome dividends year on year basis. I have with me the annual report where the sales performance has increased from Rs. 553 crores to Rs. 958 crores highest ever which is a good performance. Thank you very much you have given me Rs. 60 as dividend. Thank you very much for taking care of small shareholders. Sir, on page 15 of the annual report you have mentioned you are reducing plastic footprint. I want to know that how the company has reduced plastic footprint and with what are you replacing plastic? What is the logic behind Miss Mary and how have you derived this name? It's a lovely name. I am very much pleased to see that all the Directors have signed the annual accounts which shows their commitment and responsibility towards the small shareholders, the masses and the community. The Company's capital is Rs. 5.28 crore and we have hefty other equity, so is the company thinking of declaring a bonus issue? Thank you sir. Hope we can meet next year physically and interact with each other.

**Sudeep Yadav:** Thank you Anil. The next person I am promoting to a panelist is Rahul Paliwal. Rahul, if you can please click on the button and then switch on your video and audio.

**Rahul Paliwal:** Am I audible?

**Sudeep Yadav:** Yes, you are audible but your video is not on in case you wish to otherwise you can carry on.

**Rahul Paliwal:** Thanks for the opportunity. Congratulations on the consistency in your products and performance delivered over the last 62 years. My questions: there were 64 new management recruitments. Out of 64 new hires, how many were recruited in operations, product innovation and R & D apart from regular sales? Last year we spoke about the electrical products, have we cracked the code? We can introduce products like rice cooker or egg boiler on the electrical side. There were 39 new product launches this year, is it 39 new products or 39 new stock keeping units (SKU)? Cast iron tava is like a journey back to our roots. In old times an iron Kadhai used to be a part of every family that fulfilled the iron deficiency. Are we introducing more cast iron tava? Are we planning to enter into some other metals like copper? What is the capex and opex plan for this FY and in the future? I run a fan page in the name of Hawkins Cookers Limited on Facebook. I have set an automatic reply to consumer queries stating that this is a fan page and one should visit the webpage of the Hawkins Cookers Limited for the same. There are a lot of responses coming from overseas especially the Middle East. If you want I can handle the page on Facebook as a token from the shareholder.

**Sudeep Yadav:** Thank you Rahul and thank you for forwarding the consumer queries to us. We appreciate it. The next shareholder that I am promoting as a panelist is Dinesh Kotecha. Dinesh, if you can click on the 'Join as Panelist' button and put your audio and video on. Since Dinesh has connectivity issues, the next shareholder is Bhavin Vithlani. Bhavin, I am going to promote you to a panelist. Please click on 'Join as Panelist' button and then switch on your audio and video.

**Bhavin Vithlani:** Thank you for the opportunity. Am I audible?

**Sudeep Yadav:** You are audible but not visible.

**Dinesh Kotecha:** Am I visible now?

**Subhadip Dutta Choudhury:** Yes, now we can see you.

**Dinesh Kotecha:** Okay

**Sudeep Yadav:** Can you please pause Bhavin? Dinesh has just joined us. Let him ask his questions, then you can ask yours.

**Bhavin Vithlani:** Absolutely, no worries.

**Sudeep Yadav:** Thank you very much.

**Dinesh Kotecha:** Good afternoon to all of you. Namaskar. My Folio No is 1201890000016591. Sir, earlier when Mr. Choudhury was speaking in his Chairman speech he mentioned that it is not easy to change from one area to another area during the meeting. This is the problem that the minority shareholders who have limited resources at our end to attend the Videoconferencing meeting. Thank you for the discount coupon sent along with the Annual Report this year. For next year, I would like to suggest that Earnings Per Share to be included in the Five-Year summary provided in the Annual Report. You have highlighted in your speech that your profit growth is less than your sales growth due to raw materials prices. I have a collection of the Chairman speech since the last 23 years. This year also please send me the Chairman speech by email or through post. I have been a shareholder since the price was Rs. 18. What kind of complaints are there as stated on page 17 of the Annual Report? What feedback/suggestions you have received this year or last year from customers, vendors, and shareholders and which were implemented for better results? Butterfly Gandhimathi Appliance Limited has been taken over by Crompton Greaves Consumer Electricals Limited. In the AGM of Crompton Greaves Consumer Electricals Limited, they have stated that they will do all the product alignment of the household appliances with Butterfly Gandhimathi Appliances Limited and they will come as a competition to us, what are you view on that. What is the brand value of Hawkins? On page 32 of the Annual Report, how many disputes cases were logically concluded during the year which appeared in the last years balance sheet and what is their progress report? Your inventories have doubled from last year. Last year the inventories have absorbed the cost of Rs. 35.23 crores and this year the cost is reduced by Rs. 54.39 crores. This effect is Rs 89 crores absolutely reflected in the cost. The debtors have gone from 40 crores to 52 crores. One small observation I would like to share it with you last year the number of debtors and creditors were in our favour and this year the number of debtors and creditors were against us. What type of internal financial planning goes behind the debtors/creditors? When was the last bonus given and what was the ratio? As far as I am holding the shares, I have not received any bonus issue so far. I would congratulate you on complying with the provisions of the Companies Act. We are giving notice separately and nice and compact balance sheet of only 64 pages. You have given a nice and compacted CSR and BSR Policy. You have followed the traditional system of check and control system. Sir, you have not given dividend in 2019-20. This year our dividend amount should have increased as every three years the dividend amount increases by Rs 10. The Independent Directors should have argued in the Board Meeting to fill the gap for 2019-20 that three years you give constant dividend and then you increase it by Rs. 10. These are my views. You can give your opinion on it. Your presentation was absolutely fine and this is the right way of conducting a meeting without having any intermediary. Thanks to Mr. Sudeep Yadav, our Chief Financial Officer for conducting this meeting in a fantastic way and every Company should follow you. I also wish Mr. Neil Vasudeva, son of our Late Chairman, to play a bigger role in the growth of the Company. Thank you very much. Wish you all the best.

**Sudeep Yadav:** Thank you Dinesh ji and Sagar please do the needful. Bhavin you can now unmute yourself and switch on your video and ask your questions.

**Bhavin Vitlani:** Thank you so much for this opportunity. At the outset we would like to give a compliments to the Company for exemplary performance 25% growth in a year which was impacted by COVID and high base of 14% growth we can see the growth beating our peers. We have few questions. If you could help us with what has been the revenue between cooker and cookware. What has been the market share in cooker and cookware as a category? In your opening remarks you did mention about volume growth and value growth if you could also help us that what is the kind of growth that is coming from the premium product? What is the share of premium product in our current revenue profile? What is the share of cookers broken up into aluminium, Stainless steel and anodised cookers and is there a trend that you have been observing over the last few years or specifically after the pandemic over any sub-category growing faster than the others? What is the share of revenue in E-commerce and the growth we are witnessing in the E-commerce segment? If you could help us with the initiatives, that we have taken which as helped us in our E-commerce growth? In your opening remarks you have said that your distribution reach for Hawkins has been increasing, if you could help us with the numbers in terms of what is our reach and the kind of efforts that we are taking to deepening our reach on the distribution side? What is the mix of revenue between various zones of our country i.e., east, west, north and south and any particular region where Hawkins are much stronger vis-à-vis the competitors and the efforts taken by us to change the mix? Are we looking at growing our exports through white labelling or our own brand Hawkins? You have spoken about inflation, and we have seen a significant improvement in the gross margins of little over 7% sequentially quarter over quarter in the first quarter. If you could help us what has driven this improvement and the kind of pricing action we would have taken in the beginning of the year and alongside it also in the opening remarks you spoke about significant reduction in the commodity prices, Has there have been any instance in the past where we have taken a reduction in the end product prices? These are my questions. I have a one suggestion if you could start with a quarterly earnings call it will help us increase our interaction and understanding of the Company in greater detail. We would also like to appreciate our Board of Directors of AGM for doing far better than the other Companies. Thank you so much.

**Sudeep Yadav:** Thank you Bhavin. Now I am going to put you microphone on mute. The next person I am going to promote to a panelist is Bhargav Buddhadev. Bhargav, click on the Join as Panelist button and switch your video and audio on.

**Bhargav Buddhadev:** Am I audible?

**Sudeep Yadav:** Yes, you are audible and visible.

**Bhargav Buddhadev:** Thank you. Congratulations on the very strong execution and definitely it seems like we have continued to gain our market share of our peers for not only this year as well as the last three years. I have three specific questions. First is that given the raw materials are now correcting in the last 3-4 months, do we have plans to restore the channel commissions because what we understand is in the last 2 years Hawkins not only took hit on its profitability but also told the channel partners to take hit on their commissions. Now that the raw materials are on the downside and given that Hawkins will benefit, it also seems to be fair that even the channel partners should benefit and their channel commissions also get restored and this will allow them to be pivot and do more sales? The pace of new launches clearly has been extremely encouraging so want to know how sustainable is the last two launches and what is deriving this aggression? If you could quantify what has been the success ratio of these new products that we have launched? How have you quantified the process by which you conclude that the particular product is a success? Lastly, we understand

from our interaction that with the channel is whilst the pace of new launch has been very encouraging but Hawkins is clearly lagging in terms of new trends in the market. For instance your cast iron cookware which was launched in FY 2022, was not the first launch there were other competitors who did launch this product before Hawkins did. Whilst the quality of the product is good, but we are late in the launch hence we do not get the advantage of first mover? Can we pre-empt what are the trends or in some way can we invest in more marketing intelligence front? I appreciate the efforts to conduct this AGM and allowing each and every participant to represent their thoughts. Thank you for giving this opportunity. All the best.

**Sudeep Yadav:** Thank you Bhargav. The next person I am going to promote is Dipankar Purkayastha. Dipankar click on the Join as panelist button and switch your audio and video switch on. We have five more hands which are raised so my assessment is we probably take another 10 minutes for the questions I hope that is okay Subhadip.

**Subhadip Choudhury:** Yes.

**Dipankar Purkayastha:** Am I audible?

**Sudeep Yadav:** Yes, you are.

**Dipankar Purkayastha:** My questions are that first is Cookware as I understand that it was reserved for manufacture only by MSME sector. I have seen press report that in FY 2022 this restriction has been removed. If that is so, can you tell us what will be the concrete efforts/benefits because of this and what would be the implications on this? The second question is in FY 2021-22, there was a capex of approximately 20 crores which was nearly double of the previous year, so is it related to the point which I made previously that cookware is no longer reserved for the MSME, does it have a correlation with that or it is completely unrelated issue. The third question is why is Hawkin's inventory not fully automated? Why is it partially automated? My fourth question is purchases and stock in trade have gone up to 80%, so what is the reason for this. What is the stock-in-trade primarily comprise off, in fact the inventory of stock-in trade is also gone up like 8 times if I am not mistaken. In the Chairman's speech you have spoken about implications of huge rise in prices of aluminium. Traditionally Hawkins has never hedged commodity prices it has been fundamental tenet of Hawkins that we do not hedge commodity prices. So given this experience of last one or two years would you reconsider your strategy or would you still continue to hold on your earlier philosophy. Thank you for the opportunity and good evening.

**Sudeep Yadav:** Thank you Dipankar. The next person is Rohinton Batiwala. I am going to promote you to a panelist. Please click on join as panelist and switch on your audio and video on.

**Rohinton Batiwala:** Am I audible?

**Sudeep Yadav:** Yes, we can hear you.

**Rohinton Batiwala:** Can you see me.

**Sudeep Yadav:** No, we can't see you yet.

**Rohinton Batiwala:** Sir one second. Sir you have got good smile.

**Sudeep Yadav:** Thank you

**Rohinton Batiwala:** Respected Chairman and CEO, Mr. Subhadip Dutta Choudhury, Vice-Chairman and CFO, Mr. Sudeep Yadav, Company Secretary, Brahmananda Pani, fellow shareholders and Registrar & Transfer Agent, Link Intime good evening to all of you. Sir, my name is Rohinton Batiwala. Thanks for calling out my name to speak in front of our learned directors. Sir, I must thank Company Secretary and his secretarial team for coming out with such a nice Annual Report. Sir, it is educative, educative, knowledgeable, informative and it adhered to all norms of corporate governance. Sir, it is nicely drafted that even a layman can understand it. Hats off to our Company Secretary and his secretarial team. Thanks for giving Rs.150 as dividend including interim dividend of Rs.90. Sir it is blessing in disguise for minority shareholders. I am a retired person, it is nice that we are getting some dividend. I am 80 years old. I am the father of Jehangir Batiwala. Sir, please go for split and bonus issue in your next Board Meeting. Sir, next time we want physical meeting so that can interact with you. Sir I have got few queries. What is the road map for next 2-3 years? What is our capex program for next F.Y and what is our order book value as of now and we are well prepared to deliver it? What is the strength of staff and how many ladies staff we have? Do we have induction cookers and vessels? I would like to suggest one proposal why don't we have a get-together of shareholders where all the products are displayed segment wise and at discounted rate for the shareholders to buy. Sir, the products displayed at the back cover of the annual report. Could you throw some light on them like Stainless steel sandwich bottom, Stainless Steel tri-ply and die-cast, pans and tawas. I end my speech with prayers to almighty God to bring our Dear Company i.e., Hawkins to the topmost lot no one under your dynamic leadership and also with the help of the other learned Board of Directors. Thanking you once again for inviting me to speak and give patience hearing. Jai Maharashtra, Jai Hind and Bharat Mata ki Jai.

**Sudeep Yadav:** Thank you Rohinton Ji. I am going to put your microphone on mute. I am seeing Jehangir you have raised your hand again I will first let the balance two shareholders to speak and then come back to you in case you have mistakenly not pressed raise your hand again after you have spoken you can come in the end. The next person I am going to promote is Yash Mehta. Yash, please click on Join as Panelist and switch on your audio and video.

**Yash Mehta:** Yeah, Am I audible?

**Sudeep Yadav:** Yes, you are audible and visible.

**Yash Mehta:** Thank you for the opportunity. I think to start it off the first question some of the people have already spoken about it I will just re-phrase it. Given the limited opportunity size that we generally have in the product we cater to, what is the growth framework that we are looking for business? Can we expect to grow mid teams for the next five years? We have grown our revenues at about 14 percent over the last 3 years so if you would like to break up between volume, price, new product and new production? What is the share of General Trade, Modern Trade and E-commerce and within E-commerce and how has it changed in the last 3-5 years and how it will change in the future. How do margins compare across these channels? The next question is split of sales by regional static years for example, urban, rural, metros and semi-urban split and has it changed in 3-5 years? The next question is the steps we have taken to increase our distribution and sales competitiveness vis-a-vis other players in the industry and how do we position ourselves against the industry in the market? As far as per counter productivity is concerned, how do you trace market share by counter? How do you increase the throughput of sales at the dealer's shop? In last AGM you have mentioned that you are looking to enter in the electrical space, some of our competitors have quite a build a large what is our progress over the last years? Could you give a reference the total dealer base available in General Trade Channel and how does our presence compare to other players in terms of our dealer reach.? That's it from my side. Thank you.

**Sudeep Yadav:** Thank you Yash. The next person I am going to promote is Mehul Pathak. Mehul, please click on Join as Panelist and click on audio and video.

**Mehul Pathak:** Am I audible?

**Sudeep Yadav:** Yes, you are.

**Mehul Pathak:** Honourable Board Members and thank you for this opportunity. I am a new shareholder. This is my first AGM for the company. I was very impressed with the Chairman speech. It was very deeply meaningful and like one of the shareholders said it is worth preserving. Sir, I have few observations as a new shareholder. I was just comparing Prestige with our Company. Now Prestige uses around Rs 1,800 crores of networth plus short-term debt and we use around Rs 250 crores. Prestige has Rs 3,000 crore of sales while we have Rs 1,000 crore of our sales. They use around 8 times our capital to generate 3 times of our sales, it shows we are highly capital efficient. We used very low amount of assets to generate our sales and profits. Both the Companies have similar profit margins. I have a different view on the dividend that we are paying out. The Return on Capital of the Company is 60% and our Return on Equity is around 45%. The dividend that you pay is taxed in most of our hands at around 30-35%. The Long-term capital gains are taxed only at 10% in India. If you are going to compound at 45%, whatever capital you retain with you then my capital with you is going to double for every one and half years. It is very inefficient to give me capital when you are far better at compounding than what I can do. I would like to quote Warren Buffet that if you can compound capital better than a shareholder you should be never paying dividends. Berkshire Hathaway has never paid dividend so far and the shareholders are very happy. So, I would urge the Board to reduce the dividend payout, I don't mind even if the Return on Capital drops to 25%, you would be compounding a lot better than I do. For taxation and for growth of the Company, I would like the Board to think about this and reduce dividend payout and retain more capital. There is market their to capture so why are you not retaining capital? The last question I would like to ask that to give a name that reflects the business of the Company even Hawkins Limited is fine. When you say Hawkins Cookers Limited you are sending a message to the entire world that you are a cooker company. Thank you for this opportunity. All the best. I am really honoured to be your shareholder.

**Sudeep Yadav:** Thank you Mehul. The next person I am going to promote is Vasudha Dakwe. Vasudha, please click on Join as Panelist and click on audio and video.

She may be having a problem. I will promote the next person.

**Vasudha Dakwe:** Hello. Sorry Sir.

**Sudeep Yadav:** No problem you video is not on. If you want you can turn your video on.

**Subhadip Dutta Choudhury:** No if she wants to keep it off. We can hear you.

**Sudeep Yadav:** I said if she wants.

**Vasudha Dakwe:** Very Good evening. Respected Chairman, Board of Directors and my fellow shareholders. Sir, can you please look into the matter of unclaimed dividend amount which is the hard earned money of minority shareholders as I am aware that as per the SEBI rule, it will go to IEPF. Could you please take more efforts and try to avoid this amount from IEPF Fund? I support all resolutions. Thank you very much. Wish the Company all the best for the coming financial years and my best wishes for all coming festivals. Thank you Sir.

**Sudeep Yadav:** Thank you Vasudha Ji. The next person I am going to promote is Ramesh Golla. Please click on Join as Panelist and thereafter put your video and audio on. Winston Noronha I am going to promote you to a Panelist and then you can switch on your audio and video and then you can ask your question.

**Winston Noronha:** Sir, as usual you have outdone yourself, I have attended the AGM since the last three years. I must compliment the phenomenal Chairman Speech. It takes lot of time to prepare the speech, as communicated Mr. Choudhury has outdone himself. I have only one request please to hold every quarter a concall or publish a newsletter. If concalls are not possible or an annual meet, then please keep us updated about the Company for every quarter. You have done a phenomenal job. I have been a shareholder for more than 15 years and everybody who has been a shareholder for more than 15 years has heard Mr. Brahma Vasudeva's speech and now Mr. Choudhury has done a phenomenal job.

**Sudeep Yadav:** Thank you Winston. Ramesh I am going to try to promote you as panelist once again. Ramesh Golla if you can see the button Join as panelist click on it and put your video and audio on.

**Ramesh Golla:** Yes sir. Can you hear me?

**Sudeep Yadav:** Yes we can hear you and see you

**Ramesh Golla:** Yes Sir, my name is Ramesh Golla. I am from Hyderabad. It makes me very happy to see you. I am your shareholder since the last 10-15 years. I prefer local Hyderabad AGMs and due to this I forget to attend here. This time I am waiting for one and half hours. Thank you for taking me in the panel. Sir, South is a part of India. In South, Prestige has a stronger base. The Company outlets are very less in South. In Hyderabad, there are few outlets of the Company. Sales wise is good in South. Sir, I request you to open few outlets in South. Sir, please declare bonus issue. In coming year what is the capex expectations? In CSR Activities, sir raise the funds and where do you spend the funds? What are the foreign exchange earnings this year and will it increase in the coming years? Lastly, I am very interested in Plant visit, please arrange me from Hyderabad. Sir, the secretarial department is good. Sir I will be very happy if you arrange me to visit the plant. I support all resolutions. Congratulations to you, Board of Directors, CFO and Company Secretary. God Bless you Sir.

**Sudeep Yadav:** Thank you Ramesh ji. Jehangir we come back to you again. You will be the last person I am going to promote as panelist and Subhadip with that the question and answer round will end. Jehangir please click on Join as Panelist and switch on your video and audio.

**Jehangir Batiwala:** Sorry to come back again, I have just two questions. In our Hawkins Annual Report, in the last line of the cover page there are three types of induction cookers displayed and one of them is Miss Mary, can you just highlight what are these cookers and where are they utilized and what is the purpose and any website where all our products are displayed? Sir Mr. Mehul Pathak mentioned that the name Hawkins Cookers Limited does not reflect the nature of the business and to remove the word cookers from it. I feel Hawkins Cookers Limited is a brand. Let the name be as it is. We are happy with the way Hawkins Cookers is placed. Hawkins Cookers Limited is simple, short and sweet. It is music to the ears. We will continue our bond like this for years and centuries together. Thank you for the opportunity again.

**Sudeep Yadav:** Thank you Jehangir. Sagar do the needful. Over to you Subhadip.

**Subhadip Dutta Choudhury:** My count is we have 111 questions. I will try to answer these 111 questions to the best of my ability. At the outset let me tell you there are areas where if

the answer is competitively sensitive we may not get into extreme details and you may not be very satisfied with the answer but as I said in my speech also we operate in a competitive environment and an information is a competitive tool and we would not like to get into the wrong side of that. I will start with Disha So I will go in the order in the questions that were asked. This will take time and try to push best forward as I can, and I will try to club questions which are on the same topic.

**Demand Scenario:** Demand Scenario in our view is good. The first quarter growth of 30 plus % is helped little bit by shutdowns in the first quarter last year but as of now the demand scenario is good. Now where inflation will go and how much it will go up we don't know. So there are uncertainties but currently it is good.

**Margin difference between Cookers and Cookware:** Let me say that we earn a higher margin in Pressure Cookers than we do in cookware.

**Proportion of cookers and cookware and the target of mix for the next three years:** We do not target any mixes. We try to launch the best pressure cookers that we can and promote them and launch cookware and promote them and based on the quality of launches, based on the quality of products, the mix keeps changing. Also, cookware has been growing faster in recent years partly because of upgradation of Indian households and kitchens and partly because of the phenomenon of fragmentation of families. In cookware most households will have more than one piece whereas with Pressure Cookers you can do with one piece, though in India many households keep more than one Pressure Cooker.

**Market share gained in the last 2 years:** I would not go into precise gains, but we have gained market share in the previous 2 years. Well, many of you actually talked about that.

**Exports:** Exports is about 8% of sales. Exports have been growing at a slightly faster rate than domestic growth in the last few years. Exports has been hit by with lot of problems with freight and increase in the rates of freight. We have a good loyal market in the USA, Canada, North America, UK, Europe, Middle East and in the Far East. A connected question which somebody else has asked and I will deal with it while I am talking about exports. We do not do white labelling. I am aware our competitors are doing it, but our main focus is to improve the quality of our products and give high quality products and not get into the race of trying to replace China. Most of this white label cookware that is being sent out of India is the lower quality. That is not our way of business. The minimum thickness we use is 3.25 mm and we are not into use and throw cookware business.

**Aluminium Prices:** We do not know whether the prices will increase. The world is volatile enough. If the aluminium prices are going down do not be surprised if it goes up again. Our margins depend on raw material prices, we are trying to produce a decent performance even with high raw material prices. So we will continue those efforts. But whether Aluminium prices will go up or down or other raw materials will go up and down we don't bet on that.

**Cooker as a category:** Cooker is growing as a category. Our Sales are up in double digits. There are various reasons as I said for the Pressure Cooker category to grow 1. Fragmentation of households, 2. Large number of people want either a larger size or smaller size and 3. New Materials like Stainless Steel, hard anodised cookers which are still getting more and more traction in the market. A lot of adoption of hard anodised cookers and Stainless Steel cookers is happening all across India. Previously Stainless Steel was strong in the South and now we find Stainless Steel doing well in other parts of the country. Hard anodising is growing faster than most segments and we are the leader in hard anodising and we are very pleased to see that grow.

**Market Size:** Market size roughly speaking I would say is about 2 crore units for Pressure cookers and similar for cookware. Cookware it is only certain types of cookware more or less I am talking about non-stick and hard anodised, tri ply type cookware. If you go in all Cookware, it will be a much larger number. Roughly talking about India has may be about 25 crore households and most households buy something for their kitchen. So that's the market size.

**Levers to increase margins:** Usual levers are to cut cost and be more cost efficient but the biggest lever to increase margins is a good brand. If you have a good brand people are ready to pay that extra premium in order to get the satisfaction and the surety of a good brand. We usually sell our Pressure Cookers about 30 to 40 percent premium than the average of the market and people pay that premium or large number of people pay that premium for the satisfaction and safety of buying a good brand.

**Expectations of sales growth:** As I said these are not very sure times you know inflation is high, but we are expecting to continue our growth trajectory as of now.

**39 Product Launches in the Market:** It is the highest launches. Last year was mostly focussed on cookware. We do not fix the contribution for new products, what we try and do is to make new products which are good and try meet the consumer demand and which are of good quality. New products are like babies they have a life of their own once you set them into the market like I will tell you some of our products like the dosa tava which we launched about probably 8 or 9 years ago. It is the best selling dosa tava in the country and we are not leaders in South India. So, one does not know what will take off, you do the best on a product, some of them take off and some of them don't and then you go back to the drawing board tweak it and try and see why it did not work. Yes, 39 new products, we are talking about SKUs. If you see the back of the balance sheet, we are talking about categories. There are four categories in which many of these SKUs come from.

**Electrical Products:** Lot of people have talked about it last year and let me try and deal with it now. We talked about electrical products last year and we have started working seriously on it. If you understand the process of launching a product in Hawkins, we don't take the approach which most Indian manufacturers take of buying a product from either China or some supplier in India and putting on their brand name and selling it. We generally try to do R& D, do our own design, do our own testing and specifying our own material. We have two types of testing one is technical testing and the other is test kitchen which is in the marketing office. Thereafter if we have questions, we do consumer testing with a panel of consumers and we test the product. These take some time. We feel it is important for the brand. If Hawkins launches electrical products, the electrical products will have to be as good as Pressure Cookers is. And that's where the brand value comes and therefore, we are little slow. We know the market is waiting for it. Our dealers tell us that if we launch the electrical products in the market only our products will sell, which is not very true. Electrical product is competitive market. We are working on it and we have made some progress and we will surely launch when we have a product which is worthy of putting the Hawkins brand name on, as you realise we are not white label manufacturers, we put our own name on it. Once we are sure we can launch it. From Last AGM to now we are doing a lot of testing and we understand products much better.

**Cast iron products:** There was somebody who had raised the question that we are not first in the market to launch cast iron. We are not worried to be first in the market, we are worried about being best in the market. They are two different approaches, in fact sometimes both are not possible. Being the best is what are looking at and not being the first to market. We have launched one Cast Iron tava in the market, and we are seeing the response of the market. We are taking consumer feedback and based on that our second product will be the better than the

first one. We learn from that, and we will improve the product. Our cast iron products are doing well. It is considered to be a good design and one of the problems with cast iron is rusting. We seem to have managed to at least treat the products well enough that it does not rust in dealer's shop. But you must take care of Cast Iron products, you have to oil it regularly and we have given clear instructions on that. The customers are demanding cast iron products, and we are providing them. People are more sensitized towards non-stick and aluminium and prefer cast iron products.

**Channel wise growth and breakups:** It is a competitive information I would not like to go into very deep details but let me give you some broad ideas. We are No. 1 or 2 in the main online platform and we do not discount much or we do not promote much discounting in the online platform if you go and see Hawkins products it is not highly discounted, but they are available in Amazon and Flipkart. We have large dealer base, and we try it and ensure both the channels are able to sell.

**Modern Trade:** Let's talk about the other side of modern trade which is the physical modern trade the department store. We all are aware what is happening to Big Bazaar store which used to be our largest buyers and we are watching the space. Generally, we tend to be, circumspect we don't want to give high credit to these areas. We are available with mostly in all our modern retails that are there in the country. Dealers as I have said in my speech is opening up much more than last year. We are strong in physical trade area.

**Price increase in first quarter:** Our price increase is not higher than the competition. Our increase was about 5% on 1<sup>st</sup> April and if we have old rate stocks it goes at old rate. We do not take our stock profit out of the consumer so our average price increase will be less than 5 % or may be 3 %. In my opening remarks I have talked about the value and volume and that would give you all the idea of price increase.

**Inside Fitting Lid:** We have inside fitting lid primarily because it is safer. When the pressure is inside the cooker and the lid is inside the cooker cannot open up as the pressure holds the lid. Whereas in the outside fitting lid if you struggle with the cooker, the whole thing can go up and hit you. The safety valve of an inside fitting lid is under the lid handle bar so if it operates it does not come on your face. The gasket gets rubbed much less therefore it is much more long lasting and more durable. An outside fitting lid cookers you will have to change the gasket in 6 months and an inside fitting lid cookers maybe in 3-4 years.

**Competition against organized players:** Yes, there are organized players in the market. We are very happy to compete with organized and unorganized players in the market. One of the reasons I have often spoken even to the Government of India is that because there is a competition in the Pressure Cooker in the market in India with both organised and unorganized players you will not find a single Chinese Pressure Cooker in India. Our unorganized players beat them in the cheap price game, and we organized players beat them in quality game. Even in the cookware we are very competitive when we sell outside India We are quite competitive. Competition is good for an industry. It is not bad for an industry. Competition keeps us fit and strives us to work hard. As a Shareholder I will be happy that if there is a competition rather than hoping that my company is a monopoly. Monopoly is a short term game.

**Wok:** We have a 3 litre wok and we have 5 litre Kadhai type of thing. We will look into a large wok. But what happens with a larger wok that it has to be thinner because wok has to be a single handle type of toss up. Thank you for your suggestion we will see what we can design.

**Products:** You can see our products on the website. You can also come to Mahim office. Come on any working day and we show you the full range of products.

**Capex:** If you look at our capex trend, we have been spending about 20 crores a year, before that it was 15 crores. We expect this year capex to be more. Most of the capex goes into increasing the productive capacity. Our production is increasing quite a lot and we have to invest in plant and machinery. So large amount of capex goes into that side of business. We are also now in progress in acquiring some land for expansion. There will be a growth in R& D capex and also there will be growth in Opex.

**Bottom Bulging:** The cookers can bulge from bottom if you do not follow the instructions we have given out and like not to cook on high heat etc. We also have few models which are anti bulge models. So, if you have problem with bulging then buy hevibase. The thickness of hevibase is 6.35 mm, nobody in the Pressure Cooker business makes that. We are the only one.

**Pressure Cooker with Glass Lid:** If you want to use a Pressure cooker as a Pressure Cooker, you cannot have a glass lid. You cannot put pressure in the glass lid. If you want to use a Pressure Cooker just like an open mouth vessel you are much better off with a piece of cookware. Generally, this glass lid on a pressure cooker, is not so much of a user benefit.

**Booklet:** Yes, the booklet is only with the Pressure Cooker. You buy a Pressure Cooker and you will get the booklet along with it.

**Hybrid AGM:** The best via media is what is called a Hybrid AGM where we meet in a physical space as well as shareholders who are not in the same city can join the meeting. You saw people from Hyderabad and some from abroad who can join. I tried to do a hybrid this time but our partners said no company has ever done hybrid so we are not very sure. I will attempt a hybrid again next year. Generally, our preference is for a physical meeting of shareholders. In fact today we had a Board Meeting also and we have met physically at the Board. Hawkins as a company now have come back to work fully in office and there is no work from home. We are in favour generally in physical meetings, though we see some advantages of hybrid meeting.

**Bonus share:** If and when we do a bonus share you will know, I don't think it is appropriate for me to hint either way that we will have bonus share or we won't have a bonus share.

**Dividend:** First of all, let me be quite clear the total dividend is Rs. 150. The Interim Dividend was Rs. 90 and the Final Dividend is Rs 60. Dividend is paid out of fundamentally what we can share with the shareholders after taking care of the needs of the company. That is what we generally do. We don't have a dividend policy that every three years it has to increase. Dividend depends upon results and performance of the Company, and it depends upon our expectations of investments and sometimes in fact during Covid, it was our expectation of uncertainty. If there is uncertainty we hold back, we may need more cash. So, dividend is not just dependent upon one feature. Our Board with all its wisdom felt that we need some amount of money so paying more than Rs 150 in a year was not appropriate. But we were also aware that since the past two years ago we had not paid final dividend, so we kept paying interim dividends. This time we have also paid final dividend. Therefore, the number is from there. Keeping the interests of the business and the interest of the shareholders both long and short term in our judgement Rs 150 is a fair dividend in that case. Sir with due respect it is not 150% it is Rs 150 for Rs 10 per share. Sudeep that's what? 1500 %?

**Sudeep Yadav:** Yes

**Dividend Payout:** Mr. Mehul Pathak spoke about the dividend being taxed and it is better to keep the money with the Company and Warren Buffet does not give dividend. The Berkshire Hathaway Model and our Model of business is very different. What works for Berkshire Hathaway will not work for us. We had this tradition of paying handsome dividends if you look at various records you will find Hawkins is one of the highest paying dividend companies in India and its also one of the highest Return on Capital companies in India. That is how we work in this Industry. We do not pay much attention to tax minimisation. Even as a Company we pay our taxes to the hilt. Our focus is more on better products, better marketing and better distribution and not on tax minimisation.

**Products are of the same type:** Has TTK launched many types of products? Yes, they have launched many types of products. As I explained to you our main aim is to produce the best quality product for the market. We are not in the race to have every type of product in our armoury. Whatever we have, we want to have the best in the market and that takes time. I can tell you that most of our competitors wait with bated breath when will Hawkins come into this category. So, I am not very keen to share which categories we would like to go.

**Inorganic Growth by a Company:** In our view, running this company as we are, the organic growth is quite fine. If there is a good opportunity which comes up somewhere we will not rule it out. We are not going to go out shopping with a shopping bag.

**Plastic use:** We are fully compliant with the plastic laws and we have reduced plastic to the extent possible. In some of your products we need plastic and that is fully legal. We do take care of recycling needs and registrations, so we are completely cautious about it. In some places we have replaced plastic with paper, for example in spare parts packaging. There are some areas where we need Plastic and that is the best route. Also, Government recognises it. It lays down certain minimum microns of thickness and we comply with those.

**Female Employee Ratio:** There are total 28 women in management in Hawkins and out of the 64 new recruited 14 are women. The ratio of women is increasing. We generally, when we interview people, we are looking for good people. We do not run with quotas. All our jobs including Engineering, Sales, Accounts and office jobs are open for men and women. We do employ Sales girls in the field and we also have girls in engineering. We don't discriminate and that's the number of women we have.

**Subhadip Dutta Choudhury:** Mr. Parekh thanked our CS team. Thank you. Yes, they do good work.

**Logic Behind Miss Mary:** The Miss Mary is a Hawkins brand which is a little cheaper, about 15 to 20% cheaper than Hawkins. Partly because we do not advertise and partly it has little cheaper components. The Miss Mary was launched in the 90s in order to fight the unorganised sector which is substantially cheaper say about 50% of our prices. The name Miss Mary is because we used to own Miss Mary as we had supplied some cookers aboard where the importer wanted the name Miss Mary. The Miss Mary is a brand we own. It is today probably the third or fourth largest brand in Pressure Cookers but we do not call it Hawkins, we call it Miss Mary. There we don't promote the brand, we give a price discount to a consumer. Therefore, a consumer who can afford Hawkins they always go for Hawkins and if the cant, they go for Miss Mary.

**Break up of 64 new recruited:** I would say that our largest part of hires is into two areas Sales and Production or Engineering. I would say about 20 of them are in sales and about 20 of them are in engineering. The others are in Test Kitchen, Marketing, Accounts, CS team and some are in Personnel Department.

**Facebook Handle:** Thank you very much. We have started with very rudimentary steps getting into Facebook and Instagram. I think over the next few months you will see more of us there.

**Cooper bottom:** Copper bottom is really of no benefit. The copper bottom cookware or things that are sold have very thin layer of copper because copper is an expensive material and it really makes no difference. There are competitors who are colouring the non stick to be a copper colour and trying to say that is the health colour of copper. It is really fooling the customers. We are not into that business.

**EPS in Five-Year Summary:** Mr. Dinesh Kotecha, I completely agree with you, we should add EPS in Five-Year Summary. I think EPS is a good metric to have. We will add EPS next year.

**Quarterly Analyst Calls and quarterly newsletter:** As you see in this AGM, we patiently listen to every question that is raised by anybody. We do not indulge in quarterly calls. Once a year you give us your questions, we will answer it with the best of our ability. We are not into quarterly assessments, calls, and all of that. Mainly because these businesses are steadier than what a quarter-to-quarter changes reflect. It was taught to me by my boss, Mr. Brahm Vasudeva that the management should not chase a metric or a figure for a quarter and give up the long-term business view. In USA if you'll know, as one of you talked about Warren Buffet that there is a big push back against these quarterly things. A lot of people say that US has lost its mojo because of trying to keep up with these quarterly gymnastics. For the long term and short term, it is important that we listen to our shareholders, but we do it once a year in the AGM as it has been our practice. Also, legally we are not required to have any quarterly analyst meet. We don't have quarterly newsletter as answering these once a year is quite a bit of effort as you can see. We believe that this rhythm of yearly conference where we answer your questions to the best of our ability is good for the company and the brand. We don't want to get into the concall business of every quarter.

**Competitors:** Butterfly Gandhimathi Appliances Limited has been taken over by Crompton Greaves. We are not aware what impact it will have on our business. They are not a new competitor, Butterfly Gandhimathi Appliances Limited has been around fluttering for many years. So it's not a unknown competitor. We will deal with it.

**Brand Value:** The Brand value of Hawkins is priceless. The enterprise value with the share price I guess it would be about 2,700 to 3,000 crores, Sudeep?

**Sudeep Yadav:** Well at 5,500 it will be somewhere between 2,700 to 3,000 crores.

**Subhadip Dutta Choudhury:** So that's the brand value of Hawkins.

**Disputed cases:** We had some progress in disputes. In India cases are resolved very slowly and, in some cases, we have to go to Higher Court which we are doing. When we are not in the wrong, we tend to fight till the last minute and if we are in the wrong, we generally pay off we don't fight it. All these battles and disputes, the management has assured itself that our stand at least in our view and in a rational view is right. We don't give easily to bullying by Inspectors. It is a good business sense because next time they will bully us little less. Some of these cases go up to 7 to 8 years. In one of these cases where there is some parts valuation story, they keep lodging cases every year and after ten years we keep winning those cases. So, it goes on.

**Inventories:** Inventories have doubled. You will find that last year i.e., March 2021, we had a very low inventory. We were struggling to keep our factories open. We were struggling to manufacture and because of Covid we had to keep our factories shut substantially. Even the vendors were shut. So, for a while we could not get raw materials properly. Therefore, in March 2021 it was an exceptionally low inventory. If you keep that in mind March 2022, is not a very high inventory. We are perfectly fine with the level of inventory we have. Roughly it ranges between 30 to 45 days of inventory which is normally how we run this business at.

**Hedge:** We do not hedge. We will not hedge due to the fluctuations in the prices of aluminium. It is our vindication of our strategy not to hedge. We do not see any reason to change that strategy. We have famously continued not to hedge. The test of hedge was here where price went all over the place, we are still standing on our feet.

**BSR Report:** Yes, thank you it is a nice report. Neil Vasudeva is responsible for BSR report. All compliments to him.

**Bigger role of Neil Vasudeva in the Company:** Neil plays a bigger role. He looks after Marketing, and though he may not be answering your questions, he plays a very important role in this Company, and we are pleased to have him on Board.

**Premium Products:** Bhavin, for us our whole range is a premium product. When you look at the market, most of our products are premium products. They are more expensive than the competition. It is less discounted. You will find competition gets discounted 30% to 40%, our products get discounted at 10 to 15%. Premium position in the market is part of our DNA and approach. Yes, people are more buying premium products. We have products at a lower end it may still be premium than unorganised sector. We have Futura which may cost you Rs. 4,000, Hawkins which may cost you Rs.2,000 and Miss Mary which will probably cost you Rs.1,500. We are there across most modes of the buying spectrum.

**Aluminium, Stainless steel, anodised trends:** Aluminium is doing fine. Anodised is doing better and Stainless Steel is doing well. These trends change. They don't stay static year to year. In the market, there is lot of consumer preference, for example people buy Stainless Steel then they find that certain types of food are not so easy to cook in Stainless Steel, then they go to hard anodised product. There are no clear and precise trends singularly.

**Reach amongst Dealers:** Roughly speaking there are about may be 35,000 to 80,000 dealers of Pressure Cookers in India. We are available in about 50,000-55,000 shops of Pressure Cookers. So we are available in about 70% shops that keep Pressure Cookers. We deal directly with dealers and not much with distributors. We keep direct dealing with the dealers and through them customers. Customer feedback reaches us faster and does not get filtered through distributors. It is easier to sell through distributors than through small dealers but we take that trouble.

**Reduction in product prices:** We have taken reduction in product prices twice in the past. In both cases where there was a reduction in taxes. There was a time when sales tax was reduced, and VAT was reduced. When there is a reduction in taxes, we take down the price because we believe is fair to the consumers. In other cases, we should not be thrilled that raw material prices are down and they will be down and can go up any day. The world is very speculative today as I said in my speech, it's not shortage of supply but expectation of shortage of supply that increased the prices. We are not looking at price decrease of any form as of now.

**Dealer Commission:** As far as dealer commissions are concerned it is a dynamic thing, we review it monthly and we take tactical positions. We sometimes increase commissions and sometimes decrease commissions and we look at the competitor scenario. Our strengths are that we write standard policies and schemes for every dealer we deal with.

**Success Ratio of new launches:** Our success ratio of new launches is much better than the industry, partly because we take longer time to launch new product. We have already done testing, R&D, test kitchen and taken consumer feedback therefore our success rate is very high. When we launch new product, we get large number of buy ins. Our new launches are quite useful, and they have given us substantial amount of growth last year.

**Cookware reserved for small scale sector:** Cookware was reserved for small scale sector. About 4-5 years it has been taken off from reserve of small-scale sector. We do have vendors closely working with us when they were in small sector. They used to make cookware for us to our design specification and using our tools. We have not broken those relationships and these vendors have good skills. We also now produce some cookware in our factories that is the change. We don't break relationship with good suppliers.

**Partially automated Inventory valuation:** It is partially automated, in fact most of the inventory is automated there is one little part which is not automated. We are in the progress of getting it automated. We would like to ensure that when we tell you the value of inventory, we take the responsibility for it being the right figure. While it is very convenient for everybody of its being automated for us the first thing is to check whether we are confident and sure that the right value is projected and the secondary part is to automate. So, we that little part is left we are taking it carefully we are soon going to automate.

**Purchases of stock in trade:** The purchase of stock in trade is cookware mainly. Cookware sales are increasing faster than Pressure Cookers sales. The value of raw material has increased so much that the purchase price for the same product has also increased so if you look the value has increased in volume as well as in the purchase price. We were very low previous year so we are sort of catching up.

**Roadmap for the next 2-3 years:** We hope to do well as we are doing. We are not in the habit of putting down 5-year plans or 10-year plans. Even the Government of India has scrapped its 5-year plans. As far as the roadmap is concerned, we want to do what we are good and we are trying our best at it. I don't think it is necessary to say that we are going to reach there or elsewhere.

**Deliver our orders:** Yes, we can deliver our orders. Our orderbook is good. Our supply situation is one of the best in recent years and we are quite happy with our ability to deliver.

**Induction Cookers:** Yes, we have large number of induction compatible cookers using Aluminium, in Stainless Steel and hard anodised. All the basic three surfaces, we have induction compatible cookers. You can go to our website [www.hawkinscookers.com](http://www.hawkinscookers.com) and you will be able to see the induction compatible cookers.

**E-commerce:** E-commerce over the last 3-4 years have significantly increased. For us E-commerce is a good opportunity in areas where we don't have good distribution which some of the people spoke about, where you are strong? It's quite well known we are not strong in the South. We are strong in the other parts of India. Interestingly, E-commerce has given us good entry in the South because lot of people from North India have gone into Hyderabad, Chennai, Bangalore and they are used to Hawkins. They trust the brand and many of them are techies, so they tend to buy online. We do very good sales in places like these.

**Margins across the channels:** Generally, the margins are very similar across different channels except CSD where we give a good exceptional discount. We think that's a good channel to support the jawans and the armed forces. We are dealing with them for many years. Other than this we do not do much Channel discrimination.

**Steps to Increase Distribution:** We have taken steps to increase distribution where we have advertised for dealers. We have salesman on the ground and we give them incentives to find new dealers. We have looked into identifying districts where our distribution system is not good and going into those districts to increase distribution. Slowly we are going into smaller towns that's a good way to increase distribution.

**Increase of throughput of Sales at the dealers shop:** One of the effective ways we have found is display. We do run lot of display and incentive schemes for the dealer. You display 12 units I will check you at random. If I find those 12 units, you will get a certain incentive. Displaying in Indian bazaar is a very strong tool. The other strong tool is discounts. So if you give 40% discount to the dealer, he is ready to pass on 30 % he will push your product. We found that display works better than discounting and the brand name helps.

**Net worth:** Our approach is whatever money is required for the investment in the business and for ensuring that the business survives, we keep that in the business and the rest we believe in giving to our shareholders.

**Hawkins Cookers Limited as a name:** Anything that cooks is a cooker. I don't believe that Hawkins Cooker means just a Pressure Cooker. In fact the word Pressure Cooker has a word pressure. It is an adjective to a cooker. We are in the cooking business and therefore we are Hawkins Cookers Limited.

**Unclaimed Dividends from IEPF:** We have tried our best and we write twice or thrice to a list of shareholders who have not claimed their dividends for seven years. In fact before Covid, we even send our salesmen trying to find those people and we did get few people. We went to Ahmedabad or some other towns like that try to look for shareholder at the given address and those addresses used to be partial. We try our best not to send the unclaimed dividends to IEPF, but we have to follow the law and we follow the law to the extent required.

**Factory Visit:** Our main aim now as the market has opened up is dealer conference. We have some dealer conferences which we need to do. We have to go and meet the trade. That's our first priority. So, as of now no factory visit.

**CSR Spent and Forex Earnings:** CSR Amount what we spend is there in the Annual Report and in quite detail. Also, the forex earning is there in the Annual Report.

**Company Outlet in Hyderabad:** There are about 40 to 50 outlets in Hyderabad which keep our products. If you wish to find out where please go to [www.hawkinscookers.com](http://www.hawkinscookers.com) you will find dealers in Hyderabad.

**Mr. Brahm Vasudeva:** Thank you for remembering Mr. Brahm Vasudeva. Yes, we all Sudeep, Neil, Tej and me were trained by him. We hope we are doing a job such that if he was around he would be happy.

That brings me to the end of 111 questions. I hope I have answered all. Thank you for the questions. I will go back now to the resolutions.

Resolution no. 1 is the adoption of the audited financial statements: “RESOLVED that the audited financial statements of the Company comprising of the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows of the Company and other explanatory information, for the financial year ended March 31, 2022, and the Directors’ and Auditors’ Reports thereon be and are hereby received, considered and adopted.”

Resolution no. 2 is to declare a Final Dividend of Rs.60 per equity share for the financial year ended March 31, 2022: “RESOLVED that the final dividend of Rs. 60 (Rupees Sixty only) per Equity Share, be declared for the year ended March 31, 2022, on the present paid-up Equity Share Capital of 52,87,815 Equity Shares of Rs.10 each.”

“RESOLVED FURTHER that the said dividend be paid to those Members whose names appear in the Register of Members as on the date of the 62nd Annual General Meeting, in respect of shares held in physical form and on the basis of beneficial ownership as on July 28, 2022, as per details furnished by the National Securities Depository Ltd. and the Central Depository Services (I) Ltd., in respect of shares held in dematerialised form.”

Resolution no. 3 is to appoint a Director in place of Mrs. Susan M. Vasudeva (DIN: 06935629), who retires by rotation, and, being eligible, offers herself for re-appointment as a Director of the Company: “RESOLVED that Mrs. Susan M. Vasudeva (DIN: 06935629), who retires by rotation at the 62nd Annual General Meeting, be and is hereby re-appointed as a Director of the Company.”

Resolution no. 4 is to re-appoint M/s Kalyaniwalla & Mistry LLP as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Sixty-Seventh Annual General Meeting of the Company, as per the remuneration of each of the 5 years mutually agreed between the Board of Directors and the Statutory Auditors: “RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Registration No. 104607W/W100166), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the Sixty-Seventh Annual General Meeting of the Company, as per the remuneration for each of the 5 years as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

The fifth resolution involves me so I request Mr. Sudeep Yadav, Vice-Chairman and Chief Financial Officer, to take the Chair for Item No. 5 of the Notice with the consent of the shareholders since I am interested in this Item.

**Sudeep Yadav:** Thank you Subhadip. The resolution proposed is: “RESOLVED that pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves the re-appointment of and remuneration payable to Mr. Subhadip Dutta Choudhury (DIN:00141545), as the Chairman of the Board of Directors and Managing Director designated as the Chief Executive Officer, for a period of three years from October 1, 2022, to September 30, 2025, on the terms and conditions as stated in the Agreement executed between the Company and Mr. Subhadip Dutta Choudhury.” Thank you Subhadip. I pass the Chair back to you.

**Mr. Subhadip Dutta Choudhury:** Thank you, Sudeep. Resolution no. 6 is regarding Sudeep's re-appointment: "RESOLVED that pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves the re-appointment of and remuneration payable to Mr. Sudeep Yadav (DIN:02909892), as the Vice-Chairman of the Board of Directors and Chief Financial Officer, for a period of three years from October 1, 2022, to September 30, 2025, on the terms and conditions as stated in the Agreement executed between the Company and Mr. Sudeep Yadav."

Resolution no. 7 is to continue the directorship of Mr. Murli Aildas Teckchandani (DIN:00049563), with effect from October 19, 2022, up to the end of his current first 5 year term on July 31, 2026: "RESOLVED that pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members of the Company be and is hereby accorded to the continuance of the Directorship with effect from October 19, 2022, up to the end of his current term on July 31, 2026, of Mr. Murli Aildas Teckchandani (DIN:00049563), upon attainment of the age of seventy five years, on October 19, 2022, who, at the 61st Annual General Meeting of the Company held on July 29, 2021, had been duly appointed as an Independent Director of the Company with effect from August 1, 2021, for a period of five years, in accordance with the applicable provisions of the Companies Act, 2013."

The last Resolution no. 8 is Acceptance of Fixed Deposits from the Members and the Public: "RESOLVED that pursuant to the provisions of Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the Members of the Company and the Public within the limits prescribed in the Act and the overall borrowing limits of the Company as approved by the Members from time to time."

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

I would request the Members who have not yet voted to e-vote on these items on the e-voting page of NSDL. We will open the e-voting for 15 minutes. You will get 15 minutes to vote. During these fifteen minutes we will run a short reel of our products which is prepared by Mr. Neil Vasudeva. Those who joined today's meeting early may have seen it and the others can stay back and enjoy the same. We will come back after that.

**(A short reel play for 15 minutes)**

**After 15 minutes**

Voting period has now ended.

**Mr. Subhadip Dutta Choudhury:** Well So I would like to call this meeting to a close. Before that I would like to inform you that the combined results of the votes cast through remote e-voting and e-voting at the AGM would be duly scrutinized and reported by the Scrutinizer and thereafter the said Results would be intimated to the Stock Exchange by the Company Secretary and be uploaded on the Company's website by August 6, 2022. I would

like to thank all of you, Shareholders, Auditors, and our Directors for running through this AGM. Thank you for your questions and for your interest in the Company. We hope to see you next year at the AGM.

**Sudeep Yadav:** On behalf of everyone else I would like to likewise thank you for holding the Chair, Subhadip. We appreciate it very much.

**Mr. Subhadip Dutta Choudhury:** Thank you Sudeep. This meeting is called to a close. Thank you very much.

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