

**Transcript of the 61st Annual General Meeting of Hawkins Cookers limited held
on Thursday, July 29, 2021, through
Video Conferencing/Other Audio Visual Means
From 4:00 pm to 7:20 pm (IST)**

Corporate Participants:

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

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

Mrs. Susan M. Vasudeva, Non-Executive Director

Mr. Gerson da Cunha, Independent Director

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

Mr. E. A. Kshirsagar, Independent Director

Mr. Ravi Kant, Independent Director

Prof. Leena Chatterjee, Independent Director

Other key executives and senior management and Members

Welcome Address: Subhadip Dutta Choudhury: Good afternoon all of you. Shareholders and Directors. It is 4:00 o'clock by my watch and we are opening the 61st Annual General Meeting through video conference means. I request Mrs Bhesania, who is our Company Secretary, to confirm whether we have the requisite quorum of 30 shareholders.

Mrs. Hutoxi Bhesania: Yes Sir, we have the required quorum.

Subhadip Dutta Choudhury: Since we have the required quorum of 30 Shareholders as per the Companies Act, 2013, I call this meeting to order.

The first agenda of the Meeting, unfortunately, is to condole the sad demise of Mr. J. M. Mukhi, who was an Independent Director of the Company. Mr. Mukhi passed away in March 2021, aged 92 years. The Company benefitted immensely from Mr. Mukhi's legal acumen and overall guidance ever since he was first appointed as a Director on the Board of the Company in 1976. He was a Barrister educated at the Inns of Court School of Law in London and an Advocate in the Supreme Court of India. He was once the Legal Adviser to the Ministry of External Affairs in charge of India's case against Portugal in the World Court at The Hague, Chairman of the Legal Committee of the International Commission in Vietnam and Senior Counsel to the Monopolies Commission in India. He was for many years the Chairman of SAE India Ltd.

Ladies and Gentlemen, please spend a minute of silence with me as a mark of respect to the late Mr. J. M. Mukhi.

(After a minute of silence)

Thank you.

I would like to inform our Shareholders that all our 8 Directors are present. Gerson, if you could please speak up so that the Members will be able to see you?

Mr. Gerson Da Cunha: Hi, I am Gerson da Cunha speaking to you from my residence. Hoping and wishing that this AGM goes smoothly as it always has gone.

Mr. Subhadip Dutta Choudhury: Thank you Gerson. Gen. Sharma, if you could please speak up?

General V. N. Sharma (Retd.): Yes, I am present. I wish you a good meeting.

Mr. Subhadip Dutta Choudhury: Thank you Gen. Sharma. Mr. Kshirsagar?

Mr. E. A. Kshirsagar: Hello everyone. All the Best.

Mr. Subhadip Dutta Choudhury: Thank you Mr. Kshirsagar. Mrs. Susan Vasudeva?

Mrs. Susan Vasudeva: I am Susan Vasudeva. Welcome everybody. I wish you a good day.

Mr. Subhadip Dutta Choudhury: Thank you. Mr. Ravi Kant?

Mr. Ravi Kant: I am Ravi Kant from Mumbai. I wish the Chairman the best in conducting this Meeting successfully.

Mr. Subhadip Dutta Choudhury: Thank you. Prof. Chatterjee?

Prof. Leena Chatterjee: Good afternoon everyone. I wish all of you good health and to have a good meeting.

Mr. Subhadip Dutta Choudhury: Thank you. Mr. Sudeep Yadav, our Vice-Chairman and Chief Financial Officer?

Mr. Sudeep Yadav: A very good afternoon to everyone. It is a pleasure always to meet our shareholders and we look forward to interacting with you at this once in a year event. Thank you.

Mr. Subhadip Dutta Choudhury: I am Subhadip Dutta Choudhury. We also have Mr. Farhad Bhesania, our signing partner from M/s. Kalyaniwalla & Mistry LLP, our Statutory Auditors, and Mrs. Jayshree Joshi of M/s. Jayshree Dagli & Associates, our Secretarial Auditor.

Procedural and Technical Aspects of the AGM:

In view of the continuing COVID-19 pandemic, we are holding the AGM through Video Conference/Other Audio Visual Means in compliance with the MCA and SEBI Circulars. I would like to spare few minutes to take you all 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 by the Moderator of the Meeting to avoid any disturbance arising from the background noise and to ensure smooth conduct of the Meeting. Once the Question and Answer session starts, the Moderator of the Meeting, Mr. Sudeep Yadav, 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 their screen. The 'Raise Hand' button appears as the

third option on the bottom of the screen. The audio of the Speaker Shareholder will thereafter be unmuted by the Moderator. Once the questions have been asked by the Shareholder he is requested to again click on the 'Raised Hand' button to remove the hand raise. In case if any Shareholder faces any technical issues during the meeting, he may contact NSDL at the numbers mentioned in the Notice of the AGM. We request you to raise your questions as above as we may not be able to deal with questions put up in the 'Chat'.

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 now like to read the Chairman's speech to the Members. 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: "*Crossing the River by Feeling the Stones.*"

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, the said Reports are not required to be read.

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

Mr. Farhad Bhesania: Yes, I confirm so.

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 this purpose.

You may vote on each of the nine 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 the information of our Shareholders, the resolutions are no longer required to be proposed and seconded.

Now the resolutions. The first resolution is the Adoption of the Audited Financial Statements. Before we read out the resolution, I would like to invite comments from the Members on the Financial Statements for the year ended March 31, 2021. This is your time to raise any questions and comments that you have by raising your hand and Mr. Sudeep Yadav will identify you and invite you to speak. I will give answers at one go at the very end as it will enable me to save time by clubbing similar questions and answers for the sake of better time management. So over to you, Sudeep, if you could recognize the shareholders with the raised hand, who are also requested to put on their audio and video and then speak as we would all like to both see and hear you.

Questions

Sudeep Yadav: For the sake of good order, I would suggest that I will read out the name of the shareholder who has a raised hand and I will then promote the Member to 'Panelist' and at that point of time the Member will be able to turn on the audio and the video. It will take few seconds for the transition so please be patient. The first person I see who has a raised hand is Ms. Sheela Kundani. I am moving her to a 'Panelist'. Sheela, now you are a 'Panelist'. You can unmute yourself, turn on your video and then speak.

Sheela Kundani: First of all I would like to thank all the Directors and the Company Secretary and all the members of the Secretarial team for making good arrangements for the virtual meeting and I thank the Board for declaring the best dividend for this Financial Year at Rs. 90 per share which I think is the highest in the history of Hawkins. No further questions on the Accounts. I am happy with the accounts.

Sudeep Yadav: Thank you Sheela. I am going to mute you and move you to the 'Attendees'. The second name I have is of Mr. Yusuf Rangwala. I will be moving you to a 'Panelist' in a few seconds. Then you can unmute yourself and put on the video.

Sagar Gudhate (NSDL Technical Support): Mr. Rangwala is not able to come on, maybe due to low bandwidth at his end. We can move to the next speaker and we can make Mr. Yusuf a 'Panelist' once the internet connectivity improves at his end.

Sudeep Yadav: Okay. I am sorry Mr. Rangwala, I will come back to you. The next person is Ms. Disha Sheth. Disha I will now promote you to a 'Panelist'.

Disha Sheth: Good afternoon sir. Am I audible?

Sudeep Yadav: Yes, very much Disha.

Disha Seth: Congratulations on the excellent set of numbers. I have a list of questions. Sir, can you provide me the breakup of the cooker and cookware turnover as this year the Annual Report does not contain it. With vaccination drive picking up, how are you seeing the demand going forward? Are we experiencing the same spurt of demand as we experienced in the last year when the COVID first wave got over? Is the Canteen demand picking up? How much proportion of our sale is Canteen demand? If you can share the margin difference between Cooker and Cookware and also tell us which is higher. In terms of market share, how much have we gained in the last three years? As the pressure cooker segment is well penetrated and growing at a slow pace what are our strategies to increase cooker sales going forward? Exports have really grown well last year despite the challenging times, which countries do we export to? How are we selling there? Do we have our own network? Export

as a percentage of sales is 7-8% in FY 2021. What can it be going forward? What are the measures to increase our margin going forward? Also the increase in gross margin in Quarter 1 was excellent. Can you please share the factors for the increase? Is it because of increase in cookware sales or increase in steel cooker sales? Any more price hike to be taken going forward? In April-May, I think there was a price hike of 5-10%. Can you share the plan of price hike going forward? In quarter 1, the sequential dip of our sales was 38% for cooker and cookware while for our competitor the dip was lower than us. Is it because we have lost some market share in Quarter 1? Please elaborate. Thank you Sir.

Sudeep Yadav: Thank you Disha. That's a whole lot of questions. I will now move you to the 'Attendee' List. The next person is Mr. Bhavin Vithlani. You can unmute yourself and turn on your video.

Bhavin Vithlani: Thank you for the opportunity. At the outset I congratulate the entire management team for the exemplary performance during the pandemic. Few questions. Hawkins has been a pioneer in innovation. I would appreciate if you could speak about the new products introduced last year. What would be the share of new products in the revenues over the last one year and the last five years? In your opening remarks and also in the Annual Report you have spoken about the unorganised sector getting disrupted with the mandatory ISI introduction. Could you tell me what would be the share of unorganised sector in the market currently versus what it was a few years ago? How are you expecting the trend going forward? The third question is on e-commerce. Is the rising share of e-commerce a challenge or does it dilute the entry barrier for the segment?

Subhadip Dutta Choudhury: Excuse me, Mr. Bhavin. I haven't understood your question - what do you mean by 'diluting the entry barrier'? Can you please elaborate?

Bhavin Vithlani: Sure. In the cookers and the cookware segment distribution is one of the key competitive advantages. With e-commerce taking going to each and every city, will that get diluted because of the advent of e-commerce is my question.

Subhadip Dutta Choudhury: Okay, understood.

Sudeep Yadav: Mr. Bhavin, you may proceed with your other questions.

Bhavin Vithlani: Yes, sir. Would you speak about the distribution mix as at the last AGM you had mentioned about the addition of 850 dealers even amidst the pandemic - if you could highlight the increase in dealers over the last one year. If you could give us the mix of your channels in terms of conventional trade, e-commerce and distribution. In pricing what are the actions taken over quarter one and the year and the last question is, are there any leverage for the Hawkins Brand in the other kitchen categories? Thank you. These are my questions.

Subhadip Dutta Choudhury: Just want to go back to your question with regards to pricing...what do you want to know?

Bhavin Vithlani: The quantum.

Subhadip Dutta Choudhury: Okay. Back to you Sudeep.

Sudeep Yadav: Thank you. The next person I see is Mr. Rahul Palliwal. Rahul, I will be moving you to a 'Panelist'. You can unmute yourself and put on the video and ask your questions.

Rahul Palliwal: Am I audible sir?

Sudeep Yadav: Yes, you are. Your video is not on.

Rahul Palliwal: I am okay with it.

Sudeep Yadav: Okay.

Rahul Palliwal: First of all sir, congratulations for putting out such a great Annual Report. It deserves a place in the bookshelf. I would request the Company Secretary, for the first time in my life, to post me a physical copy of Annual Report. It is for my next generation. The lessons from the man, Mr. Brahm Vasudeva, are extraordinary. Thank you so much. That is comment number one. Sir, after a long gap we are talking about capacity expansion, so can you elaborate a little bit on it? You are planning for how much capacity addition to our existing capacity and where are we looking for growth - is it in the cookware segment or any other segment - because Pressure Cooker is a stagnant market? My third question is about export opportunity. Just to share with you, I run a fan page in the name of Hawkins Cookers on Facebook. Anytime you need it I can hand it over to you. Even if I have declared it as a fan page, I get many comments and many queries from many places like Bangladesh. I have made a few friends as well! People from UAE, etc., are showing their old 30-40 years old pressure cookers and asking for spare parts. I have set an automatic reply to such queries stating that this is a fan page and one should visit the webpage of the Hawkins Cookers Limited. The point is we have opportunity to expand overseas which is very limited as of now. How is the Management looking at this opportunity? And we are missing Mr. Dynamic and powerful this time. I have visited Hawkins' AGM many times and enjoyed the *samosas*. All the best to you, sir, and keep on doing the good work and this family of Hawkins is wonderful as I have seen people holding 40-50 years shares and reaping the benefits. All the best and I am sure Hawkins is in safe hands.

Sudeep Yadav: Thank you. I would like to take half a minute. You said you have asked for a physical copy of Annual Report. Have you not received the hard copy of the Annual Report that we have dispatched to all our shareholders?

Rahul Palliwal: What I am saying is I would request one physical Annual report separately for a specific purpose. Otherwise I am okay with whatever the default mode of dispatch is.

Sudeep Yadav: Okay. I want to let the shareholders know that every year, even in the pandemic, we print physical Annual Reports and dispatch them to the registered address of the shareholder. I would request you all to check if you have received it and if you have not, please check whether the address maintained with us is correct or not because we find that there are some cases of return probably because the addresses are not updated. We request all the shareholders to kindly look at it.

The next person I would ask to speak is Mr. Bharghav Budhhadev. You can unmute your audio and if you wish you can put on your video and speak.

Kotak Emerging Equity Scheme (Mr. Bharghav Budhhadev): Good evening team, can you hear me?

Sudeep Yadav: Yes.

Bharghav Budhhadev: This is Bharghav Budhhadev from Kotak Mutual Fund. First of all many congratulations for a very good performance for the first quarter. We believe that Hawkins did not take a price hike in the last year and probably because of that the margin performance was not reflective of the actual strength of the Company. And now we see that the gross margin is coming back so many congratulations on that. So I have got three specific

questions. First is that when we speak to your channel partners, what we understand is that Hawkins is significantly trying to increase its direct dealers and during this pandemic this particular channel has been significantly revived. What we also understand is that Hawkins has appointed super mega dealers to essentially increase the penetration in the rural area. This clearly suggests that Management is trying to become more aggressive to reach higher growth. Just wanted to cross check whether our assessment of Hawkins being aggressive in terms of direct dealer counts along with the super mega dealer is correct or not. The second question is when we speak to the channels we understand that the launch of new products has been accelerated significantly in the last one and half years as we have seen several new launches like Tri-Ply, Stainless Steel Contura Pressure Cooker. Most importantly the pricing for these products have been extremely competitive. Is there a DNA change within the Company now to increase the pace of new product launch and also price them competitively? Is our assessment correct? Can we see this trend sustaining in terms of the launch of new products and competitive pricing? And the last question is, if you look at the competitors despite their product quality not being that great they have made a successful franchise in the electrical appliances where the competition is higher but when we speak to your channel partners whether they will be happy to sell electrical appliances launched by Hawkins they said they will not only be happy but they said they will grab every electrical appliance that Hawkins is looking to launch. So clearly there is lot of brand value associated with products launched by you and I would urge the team to look at an entry into the launch of mixer grinders and gas stoves because clearly Cookers and Cookware as a segment is now well penetrated and hence the growth may not be in the range of 15-20%. Given our strong brand and very good product quality and the fact that the channel partners are themselves looking forward to Hawkins launching electrical appliances, we can look at this particular segment given that it is dominated by unorganised players and if we launch we will find a lot of acceptance. Just want to know your thoughts on whether we are launching gas stoves and mixer grinder. And the last related bit is that Hawkins is not obviously on the open Cookware side where other competitors have been minting money. Are we looking at that segment as well given that category finds a lot of acceptance in various regional markets? All the very best to the team and continue doing the good job which you have been already doing. Thank you very much.

Sudeep Yadav: Thank you Bharghav. The next person I am going to invite to speak is Sanjay. I am going to move you to a 'Panelist'. You can unmute yourself and put on your video.

Sanjay: Good evening everybody. I am Sanjay and I am from Bombay. I am a Hawkins shareholder since the last ten years. Thank you so much for giving me the opportunity to speak. First of all congratulations for such exemplary numbers. My question is that once Hawkins was the market leader for the Cooker segment but now lot of smaller players have come and among them some are major players. How is Hawkins going to increase its market share? What is Hawkins' present market share in the Cooker segment and what are the other kitchen equipment apart from Cooker and Cookware that you are planning to launch in the future? Thank you.

Sudeep Yadav: Thank you Sanjay. The next person is Vineet. I am going to move you to a 'Panelist' and you can ask your question.

Subhadip Dutta Choudhury: How many more 'Hands' do you have, Sudeep?

Sudeep Yadav: I still have ten 'Hands' that are showing.

Subhadip Dutta Choudhury: Vineet you can go ahead once you are promoted to a 'Panelist'.

Vineet: Am I audible and visible now?

Sudeep Yadav: Yes.

Vineet: Thank you so much for giving me the opportunity to ask questions. I have received the physical copy of the Annual Report but I did not receive the email both for myself and my mother, we both are shareholders. That is one. Second, do we have any capex plan going forward in the coming year? Third, on page 53 of the Annual Report, I see that our Current Liabilities have increased. Could you please throw some light on that? Fourth is do we see any EPS growth in the next one-two years? Are we going to do anything to increase the presence on e-commerce? How is e-commerce penetrating currently across all segments? How are products sold offline apart from the online mode? That is all. Thank you so much.

Sudeep Yadav: Let me first talk to you about the email issue that you raised. Two things - one is do you have a Demat account?

Vineet: Yes, I have a Demat account, so does my mother.

Sudeep Yadav: The email account has been maintained with the DP and you have been receiving emails of other Companies?

Vineet: Yes. Our telephone number and email are both updated.

Sudeep Yadav: Vineet, the last thing I would add over here, and we will check this, is that some emails bounced back and we did a second transmission of the email. We also found that for certain people the emails were going in to their spam folder. For some people certain Companies' email would come in their inbox but ours went into the 'Spam' folder for some reason. If you would kindly have a look at your 'Spam Folder' to check whether you have received it unless your Spam folder contents are already deleted.

Vineet: I have checked my 'Spam Folder' as well as all emails and I could not find any email on my email account or on my mother's email account.

Sudeep Yadav: Okay, we will check at our end, Vineet. Thank you for letting us know this.

Subhadip Dutta Choudhury: Sudeep, now that we have gone into the email issue, how will we check? What we need from him is his email ID and Folio No. Only in that case we can take it up with NSDL and find out whether the email has gone or bounced. Vineet, if you do not mind please send us your email ID or your Folio Number which will allow us to investigate this and will benefit not only you but other shareholders.

Sudeep Yadav: Please email us on cosec@hawkinscookers.com.

Vineet: Is the email ID there on the Annual Report?

Subhadip Dutta Choudhury: Yes it's there in the Annual Report and on our website.

Sagar Gudhate (NSDL Technical Support): I would suggest that your full name and your client ID that is registered with the Depository Participant may please be mentioned as it will help us to investigate the matter further.

Vineet: Is ho@hawkinscookers.com the email ID?

Sudeep Yadav: Yes, you can send your email to that email ID as well.

Vineet: Thank you so much.

Sudeep Yadav: You are welcome, Vineet. The next person is Zubin. You can unmute yourself and ask the question.

Zubin: Am I audible?

Sudeep Yadav: Yes, you are.

Zubin: Sir, I just have a few questions. What is the split between cookers and cookware? What is our plan and the growth rate in each of these segments? How much would be the growth scope in each of these categories? What is our current capacity utilisation? What is our current capex plan going ahead and is there any capacity addition on the cards? Over the last decade you have grown revenue at over 10% CAGR. What were the challenges faced? What is the outlook of the Company in the medium-to-long term? What will the Company have to do differently than what we did in the last decade? Will those steps be achievable or not? If there is an opportunity to enter a new category which has scope of becoming huge in the long term will the Company be willing to sacrifice the near-term margins and profitability to make the necessary investments? If you could comment on the top management's strength and what are our strategies to build a strong second line management going ahead.

Sudeep Yadav: Thank you Zubin. Next is Nikhil Upadhyay. You can unmute yourself and speak.

Nikhil Upadhyay: Good evening. Thank you for the opportunity and congratulations on the great numbers. I would like to give my appreciation for the Annual Report which the Company has prepared. It is really commendable the way the AGM is organised. I have a few questions. Few of them are already asked. So I won't repeat them. My first question is that, in the Annual Report we have mentioned that e-commerce sales have increased, and we have also increased our dealer reach by 29%. Can you provide us with what is our dealer reach now and what would be our contribution by e-commerce and retail? We have seen that many smaller players have been able to grow significantly led by a strong e-commerce push. Do you see any high-end competitive intensity and what is the Company thinking about meeting these challenges? In the last AGM the question was raised about new products and the Management had mentioned that they will look into differentiation to meet consumers' needs. If you could help me understand, where are we in terms of progress on building that product pipeline and will that product pipeline be more in the Cookware segment? Because in the electrical appliances segment, I think there are a lot of great players already doing a great job and innovation in terms of design. What is your thinking about it? Secondly, and this question was also raised by one of the participants, when we talk to the dealers and distributors, though Hawkins has a brand equity, do you see any challenges to get the dealers' shelf space because of the limited product basket as compared to other brands that are expanding their product baskets with newer things. Do you see any new challenges for us at any time? Lastly, if you can tell me about the split in the marketing team between Cookers and Cookware. Are there separate Heads for both teams and are they managing separate P&L for the same?

Sudeep Yadav: Thank you, Nikhil. The next person is Mr. Pramod Roongta. You can unmute yourself and ask your question.

Pramod Roongta: Good evening everybody. I remember Mr. Brahm Vasudeva, who passed away last year, nearly one year ago. He was the pioneer and established such a great Company. He saved huge energy for the Country and created wealth for the stakeholders. Here you have given a very beautiful photograph of Mr. Brahm Vasudeva. All the appreciation for the photographer and I must congratulate Mrs. Bhesania, Company Secretary. Opening remarks is very interesting *"I started my selling career 55 years ago. Selling 3 packets of Surf in Calcutta - 3 packets MRP value Rs.3.75p. took 45 minutes.."* Such a humble beginning and such a great career with great ethics, it's really something which should be followed in our country. Then our country will be at the top of the world. His research and his thinking, he was above a genius person. We should remember his life span by having a seat or hall in some Management College or School. He had a very successful 60 years long career. He paid huge dividends, gave bonus shares and built a very good culture of business. I will give some suggestions. I will congratulate all of you for your hard work and we are marching from our golden jubilee to the diamond jubilee. This year I expected bonus shares. I am always against dividend. Dividend can be used to plough back profits like MRF, like Warren Buffet. They don't pay dividend. One can encash by selling a few shares. Secondly, now all the Companies are unlocking values by splitting shares. The share is hovering above Rs. 6300-6400. If you split it to Re. 1 per share, then it will become affordable and more investors will enter into your scrip. Even SEBI has mandated that the share value should be Re.1 long back. I humbly suggest to the Chairman to accept my suggestion and people will be happy. Someone holding 100 shares will feel that their holding is 1000 shares. It is a psychological boost. The commodity prices are increasing very fast. Aluminium, Steel and other material. The Covid cost is there. And so many other costs are there. I suggest one thing as festivals are approaching. To increase shareholders' wealth, we should increase prices by 10%. Consumer inflation is 10%. You have to pay more salaries, more on medical and bonuses. So it will be a prudent step - whatever you lost in last four five months you can make it in another four five months and then the shareholders will be glad to have an extra bonanza. I have some transparency issues which our Company and our country is facing. We have our audit report where no adverse remark is mentioned. Everyone knows that a corporate has to pay a lot of bribe. One may not be willing but it is extorted. It is shareholders' money. I appreciate the sacrifice of the soldiers. Now it is coming in newspaper that they fought very bravely and a big salute to them. I request you people to do something for soldiers who fought bravely for the country. And on the flip side, one thing is also there, in one of the interviews given by Smt. Lata Mangeshkar, which is available on YouTube, she had stated that she had sung a song for Pandit Jawaharlal Nehru wherein he had tears listening to the song *"Ae Mere Vatan ke logon.."*. And we have our General Sharma on the Board of Directors. I request to him that we should boost the morale of our army and bring more discipline in them. We pay a lot of tax which includes GST, wherein the majority of the GST is allocated for the welfare of our Defence Force. So there should be accountability. Money should be allocated via CSR activities for making people aware of their duties, please write to the Government. This will improve the prosperity of the nation. Abraham Lincoln and many others have made sacrifices for civil rights. Corporates are a major part of the society. And in India, the Corporate Sector is very small. 2.5% of the public invest through Mutual Fund. In the USA the percentage is 70%. This is a different line of business. If you would venture into Mutual Funds, it would be beneficial to the Country. People have a lot of untapped funds. But people in villages have less knowledge of shares. They lose their money in Ponzi Schemes. Hawkins produces Pressure Cookers which is a noble deed as they save a lot of energy. Today climate change is a great issue. You should take carbon credits from the Government. Like one of the shareholders said please make electronic items like induction cooktop etc, good for carbon reduction. Electricity is green. Induction is green energy. Today there is pollution, climate change, etc. Our future generation will curse us as we have created this climate change. We citizens of this generation will hand over the next generation happier times. Like you produce Pressure Cookers keeping in mind energy saving in the same manner you should introduce induction

as it is green energy. It is the future of cooking. I would like to tell you that last year in Kandivali, share certificates worth many crores and dividend warrants were thrown away in sewage by the post people. I wrote to the Chief Postmaster about this matter. You might be aware how difficult it is to issue duplicate share certificates and dividend warrants. You are also aware that if the dividends remain unclaimed for seven years, the shares will be transferred to the Investor Education and Protection Fund. You have money and resources - I request you humbly to take up this matter as no Authority listens to a single individual. I won't take much of your time. I always speak in public interest. One last thing which is related. The land which you possess, you value the land at cost price rather than the market price. I suggest that you kindly re-value the land as per the market price as it will increase the net worth of the shareholders and our balance sheet will be more transparent. This is my last submission and request to you.

Sudeep Yadav: Thank you Mr. Roongta. I am going to do a spot check. I see there are 6 more 'Hands' that are raised. My suggestion is we take questions from these 6. First is Mr. Dipankar Purkayastha.

Subhadip Dutta Choudhury: For the benefit of the shareholders and time, please keep your questions precise and it will help us all.

Dipankar Purkayasth: Can you hear me.

Sudeep Yadav: Yes, we can.

Dipankar Purkayasth: One small question and two comments. The question is do we have showrooms exclusively or do we only rely on dealers? The comment that I have is from the last years' remark I have read from the transcript of the AGM that in Hawkins we don't believe in imposing production targets from the top, but we tend to satisfy the unmet customer needs. My question is how do you ascertain the feedback? Do you entirely rely on Dealers, or do you have any other channel? Another comment is the buying decision of your products are mostly by ladies. In your senior management, apart from Company Secretary we don't find any ladies. In the Middle Management, like the Sales head, we don't find any ladies. In your sales posts, as they are critical posts, just want to know how many ladies are there as Sales Personnel. And again I remember while reading the Chairman's remarks that one of the tests which you do while recruiting the salesmen is to make them walk or run for half an hour. I don't think with those techniques you can get many ladies as sales personnel. Would you think of reviewing your procedures? The other comment I would like to make is on the long-term trends of Cookware in India. If I read the Annual report, it is mentioned that Covid had made everybody realise the value of home cooking. Everybody will now cook at home. I think it is important to know the long term trends. Covid will go, if not today then tomorrow. And then the society's long-term trend will re-ascertain itself. If we look at the West, if we look at China, China is more relevant to us, we see that in the Metros, the younger generation, who are working, practically eat home cooked breakfast and don't eat home cooked lunch. Dinner they sometimes eat at home if its raining or there is a law-and-order problem. Everybody has Cookware at home, no doubt, but that is basically to meet contingencies. And with the rise of cloud kitchens, I think you need to take a look at what are the long-term trends in Cookware in this Country. From that point of view I would like to know what is the proportion of your sales from Metro Cities and Non Metro Cities. Because the trend will play faster in the Metro cities and in non-Metro cities, it will take much more time. It is my first AGM. I have been a shareholder for quite some time, but only since this virtual mode has been introduced I am able to participate in the AGM. Thank you very much.

Sudeep Yadav: Thank you for your participation, Dipankar. Next is Xplain Pvt. Limited.

Subhadip Dutta Choudhury: If I may ask your name. Xplain is probably not a name.

Winston Bruce Noronha (Xplain Pvt Limited): Oh Sorry, Xplain is my Company's name and I have logged in through my Company's login. My name is Winston Bruce Noronha. I have been a shareholder for 15 years. First of all, compliments on an excellent AGM. I never thought I would see humour, science and poetry in the same speech as I have never heard it before. Mr. Stephen Jay Gould is an icon so I am assuming that there would be a lot of research that has gone into the preparation of this speech. The second thing is I want to give compliment on the Dividends. My purchase price has finally been crossed with the amount of my dividend declared by the Company this year. And the last fifteen years have been spectacular. I must compliment the Secretarial Team on the Annual Report, as I have heard a lot about it. It is similar to the Amazon 1997 Annual Report which reiterated every year the key principles of Mr. Jeff Bezos. Keep it up and kudos. It is very important for the shareholders to realise what the Company stands for and how it is going to play out its principles in strategies. I am assuming you don't do fund managers' call as I see two fund managers ask questions on this and it is good as you treat all shareholders, minority and big shareholders, equally. Compliments again. I have only two questions. I have not seen any advertisement of Hawkins Cookers on social media nor have I seen them on broadcast media. Last year you had played the ad roll which was interesting as it showed creativity and the hallmark of Hawkins Cookers. Mr. Gerson da Cunha, can attest to that. Second thing is on Commodity price. What is your view and how will it play out during the next few years? I understand that we have premium pricing on Hawkins Cookers because of the quality and other aspects of manufacturing process. Knowing the Indian Market what do you feel will happen as the prices keep rising? The third thing I want to ask is the future of this business itself. We seem to have grown at 10% for the last 15 years. Are we going to ramp up the growth rates? Because if we keep growing at 10% and the competition is growing at 15%, we will steadily lose market share and top line. We may have phenomenal return on equity and net worth but what is your view on progressively losing market share? I have been a shareholder for the 15 years and I would like to continue for another 15 years. I would request that you address this from that perspective. Thank you again for an excellent AGM. I have attended a few but this has been fantastic.

Sudeep Yadav: Thank you Winston. Next we have Ankur G. Ankur you may unmute yourself and ask your question.

Ankur G: I will quickly ask a question. How will the increase in steel and aluminium price affect your pricing? Will it lead to a price hike, or will it lead to lower margin if the price hike is not possible? That is it from my side. Thank you.

Sudeep Yadav: Thank you Ankur. The last two questions coming up. First is Santosh Kumar Saraf. Santosh you can unmute yourself and ask your questions.

Santosh Kumar Saraf: *Namaskar.* Respected Chairman, Directors and my Shareholder brothers and sisters who are present today by video conference. I am Santosh Kumar Saraf from Kolkata. I hope that the Directors, all employees, shareholders and their families are keeping well and healthy. I offer my condolence on the sad demise of the Late Mr. J. M. Mukhi who was very close to our late Chairman. I pray to almighty that may his soul rest in peace and may God give courage to the family members to bear such a loss. I have a few questions. Most of the questions have been already asked by the shareholders, I won't repeat those. What are the measures taken by the Company to minimise the impact of Covid on business operations and income? What are the cost cutting measures taken by the Company? Have we installed Solar Panel in the Plants of the Company? If not, then please install them as this is very important as we can depend on ourselves for energy rather than depending upon others and this will be renewable energy thus helping us to remain carbon negative.

What are the provisions made by the Company for water conservation in our Plants? We should do rainwater harvesting as it will be very useful for us. What is the percentage of employees working from home? What are the facilities provided by the Company for the employees working from home? Is the Company reimbursing the cost of vaccination to the employees who took the vaccination? I would suggest that the Company should venture into production of electric kettle, oven, etc., so as to keep up with competition and for the internal growth of the Company. I won't repeat the history of the Company again as it has been already spoken by Mr. Pramod Roongta and I won't waste your time much. Again, I pray to God that may all the employees, Directors and their families stay healthy, happy and safe. I would request Sudeep Sir to continue conducting AGM through video conference. I have been a shareholder since IPO. The Company has grown since then. I request you to keep giving dividend and not to keep gaps in the dividend as it affects us. Thank you Sir and hope that all remain happy, healthy and safe. Again my heartfelt condolence to the family of Mr. J. M. Mukhi.

Sudeep Yadav: Thank you. The last person is Mr. Yusuf Rangwala. You may please unmute yourself and ask your questions.

Yusuf Rangwala: Hello, good evening, Sir. I am very happy to be a shareholder of Hawkins Cookers Limited. It was my dream to be a shareholder of such a good Company. You have given dividend of Rs. 90 per share. Last year you had given interim dividend of Rs. 80 per share. I remember Mr. Brahm Vasudeva today with tearful eyes. Our Company is in a good situation because of his efforts. I thank you and the Secretarial team for sending us the discount coupons. I request you humbly to arrange for a factory visit for us as I wish to see how a Pressure Cooker is produced in a factory. Thank you so much Sir for giving us an opportunity to connect with you. Jai hind. Jai Maharashtra. Vande Mataram. Bharat Mata ki Jai. Thank you very much Sir. All the good wishes for Ganesh Chaturthi and Diwali. I have given my assent to all the resolutions.

Sudeep Yadav: Thank you Yusuf ji. Subhadip we are done with the questions.

Subhadip Dutta Choudhury: Okay this is quite a series of questions. I will go down in the order the questions were asked.

Dividend: The first comment was that the Rs.90 dividend per share is at all time high record. Yes, it is an all time high record. The highest dividend paid up till now is Rs. 80 per share. So this is 900%. This is our highest ever dividend. Last year our profits were about 10% more so our dividend is also about 12% more.

Break up between Cooker and Cookware: Disha has asked about a set of numbers; break up between Cooker and Cookware. It has not been given this time whereas it used to be given in past. It is true. It is not required to be given any longer. The reason we used to give in the past was because it was mandatorily required.

Hawkins launching electrical products: You can see that from all the questions that have been asked by various people. Some of you investors have done your due diligence and have asked the shopkeepers if they will keep electrical products launched by Hawkins? The shopkeepers have said, "Yes we will keep them". What we will launch or what we will not launch is competitive information. And therefore you will find that we do not like to give too much of information which is not necessary to be given regulatorily because we operate in the Pressure Cooker, the Cookware and the Kitchen appliances industry which is a very competitive industry. Somebody commented that we don't do investor calls, etc. In order to roughly answer the question asked, Pressure Cookers are our larger category and Pressure

Cookers is about 2/3rd to 3/4th of our business and the balance is Cookware. We only do Pressure Cookers and Cookware.

Trend of cooking at home due to the pandemic and its impact on the demand for Pressure Cookers and Cookware in the market: The question on the vaccination drive and how the demand will be going forward and another remark by a shareholder on the fact that there is more cooking at home and what will be the long-term trend of the demand came up from quite a few people. I would like to take these up at one go. If you read the Annual Report, you will see that we have said this year there is more cooking at home and not that more cooking at home is the long term trend. Because of Covid, there is more cooking at home and that is all we have stated. In the long term, while you see that millennials order from Zomato, but equally, if you look at the West - I don't know much about China - there is a trend towards cooking at home because of the following three reasons. Number 1, Health; people find it healthy - America has what is called 'A Pandemic of Overweight'. The question of health is specially connected with buying food from outside. The second aspect of increased cooking at home is due to more awareness about different recipes. The second largest item searched on the web, from statistics we hear, is recipes. Because of the World Wide Web there is an increase in interest in cooking different things. And therefore increase in interest in cooking at home. Finally, we have seen that in cultures with excessive eating out, there is now a reverse tendency to end up cooking more at home. I don't think we can jump to the conclusion that the Cookware market is going to keep expanding at exceptional rates. Nor do we believe that the Cookware market is going to disappear overnight. Amongst various things where you see a general demand, there is the human need for *roti*, *kapda* and *makan*. The *roti* part is quite fundamental and comes first. Even a millennial has to eat. Therefore I don't see in the long term a major disruption in the Cookware market. I think the demand will increase.

Performance of CSD: CSD in the last year did not do too well. Partly because they were shutdown almost completely till about September. This year CSD is doing much better. CSD has a good proportion of our business. I have seen that it used to be around 30% of our business. It is much less now. Not because our CSD business has not grown. It is because other businesses have grown faster.

Pressure Cooker and Cookware margin and market share: Broadly speaking, Pressure Cooker margins are higher partly because cookware is a newer category that we have entered. We are the leader in Pressure Cookers and our market share is about 1/4th of the market. We are struggling to get proper updated research on market shares because of the COVID related shut down. In Cookware, we are not the leaders. We are number two in the Cookware industry. We are amongst the fastest growing in Cookware. Our turnover is just Pressure Cookers and Cookware and you can check our competition's turnover on Pressure Cookers and Cookware. You will realise that we have not been losing market share and nor have we been static in the market share. Like quality, you can't be static. You either grow or lose. We have been growing in market share every year for the last five years in Pressure Cookers and Cookware.

Exports: We export to North America - the USA, Canada - Caribbean, parts of Europe - UK, Portugal, Germany - we export substantially to the Middle east, Singapore, Australia, Hongkong, Japan, Mauritius, so we export to many parts of the world, more or less. The proportion of exports to our business is 7-8%. What can it be going forward? Well, it can go double the current percentage. You must remember that India itself is a large country. Whilst people who operate the cookware business in small markets like say Turkey or many European Countries, have small domestic markets, they are very keen to export. For us a large proportion of our production is demanded in India. As I have said in my speech, exports, though 7-8% for us, is key to keeping a window open to the world for us. It is

important for us to match our quality and pricing to the world. There are 3-4 Hawkins Pressure Cooker Models in the top pressure cookers being sold on Amazon, USA. In India, in the top 20 Pressure Cookers and Cookware, we have got 9 models. We compete everywhere where we can run an honest business.

Levers to increasing margin: Will it mean increasing cookware? The commodity prices are volatile. A strategy which decides that one promote stainless steel because of better margin may not work because you may have a worse margin in two months. We generally don't try to keep different margins in different products. Yes, the margin on Pressure Cookers is higher as compared to Cookware, but we don't do price gouging which is considered a pricing strategy. We tend not to do that. Our Marketing is for the benefit of the consumer. Therefore, the margin tends to be similar. Our increase in gross margin comes out of two things. One, what price we sell it at. Two, efficiency of manufacturing. We have economies of scale. If you are a leader in the Industry, you have to use the economies of scale and keep your costs low. And that helps your margin. Shareholders have asked about price increase and how much pricing muscle do we have. There are two aspects to this. In a competitive market, one cannot just increase your prices. We sell Pressure Cookers in India where you can get a similar capacity local Pressure Cooker in the Delhi Market at a third of our price. That is competition. Of course, that Pressure Cooker is not of good quality. That Pressure Cooker might not even be ISI marked. In a competitive market pricing muscle is to be used judiciously. Price increases have to be taken keeping in mind the consumers. And while the commodity prices go up and down, my long term belief is that commodity prices are many times artificially held up. In my working with this Company for almost 30 years, I have seen enough ups and lows. How long will this last, I don't know. When the commodity price increase will come unbearable and we find our margins are under pressure, we will take a price increase. But we don't do knee jerk reactions. In the life of a brand, one quarter with a low margin or one quarter with a high margin does not break or make a brand. We tend to be steady as it goes. And we try and figure out what is possible and what is beneficial to the consumer and the Company and decide on our market pricing. Another question is have we lost market share in Quarter 1? No in our analysis we have gained market share in Quarter 1. Our competition had a terrible Quarter 1 last year, and therefore their Quarter 1 figures look a little bit better. But we had a relatively good Quarter 1 last year. On products introduced last year and their percentage in last year, roughly speaking, new product turnover range is about 12-20% of our turnover. Our strategy is not to make a product for a season, every new product that we make goes through our test kitchen for a rigorous test. It is a product that we intend to sell for next 50 years. We don't design a product thinking that in the near future we will remove it and replace it with a new product. Existing products don't die and fade out so easily in our product portfolio. The 10 to 20% is a genuine increase in the market and a genuine increase in our product range. The Classic range we sell today is a much-improved product. But in 1959 also we had similar Cookers. Which is why it is called 'Classic'. Some of our importers tell me "Why do you make your products last so long, consumers don't replace them." My answer to them is that they buy them in the first place because they last so long. That is our marketing strategy."

Share of the organised sector and unorganised sector and e-commerce sector: In the Pressure Cooker market, 40% of the market is unorganised sector and 60% of the market is organised sector. And generally, the organised sector is gaining on the unorganised sector and with demonetisation, GST and the ISI Mark becoming mandatory, the unorganised sector is losing ground to the organised sector year after year. Does e-commerce make it easy for small unorganised regional players to compete and overcome the supply chains and good distribution that companies like Hawkins have built over the years? Good question. The answer is that in India in our product category, as of now, the e-commerce market share is about 15% and 85% of sales happen through physical channels. Will e-commerce get bigger? Probably. Will e-commerce take over the physical channel? I don't think so. When COVID

happened and the market shut down, e-commerce became big. As soon as markets open, e-commerce reduces. The resilience of the small Indian traders is underrated. They are amongst the most competitive businessmen in the world. We have dealers who are ready to sell at the smallest of margins. No e-commerce entity will operate with that margin. And the dealer who sells at such a margin still makes profit. In e-commerce there are a lot of regulatory clouds so our e-commerce strategy is to continue making good quality products, give good descriptions and not mislead the consumers. And then let the consumer choose. In e-commerce one can get good sales without deep discounting. We try not to encourage deep discounts because dealers and small retailers are a substantial and important part of our business. A local player may find it easy to get listed on Amazon. If he doesn't have quality, he is not going to get distribution, he won't get business and he will get returned products. Competition, in fact, keeps us fit. If somebody is selling a better product at a lower price, my first attempt would be to find out why can't I beat him at his game. We are in India and we are born out of competition and we welcome competition in our trade. The more the merrier.

Distribution mix of the products: We focus more on rural areas. Partly because of the Ujwala scheme and partly because of the internet reaching rural areas. Because of our product pictures and presentation our offline sales increase. Therefore distribution in rural India is better. As a brand if you go to rural India consumers there are very happy. We have seen new dealers say to the salesman whom they have met for the first time in their life that they trust Hawkins. Even though we deal mostly on advance payment terms they are ready to pay in advance for our products. Regarding induction gas stoves, mixer grinders and electrical products, Hawkins did have electrical products. Our fellow Director Mr. Ravi Kant was there when we launched our electrical products. We had launched excellent products. One was Inframatic which was a toaster cum grill cum oven and we had a product called Simmermatic, which was a slow cooker. They were both products ahead of their times. They were excellent products but we were not able to sell them well. Therefore, we are not new to electrical products. We are looking at electrical products. When we will launch, what we will launch and how we will launch interests our entire competition. We require a lot of skills to launch electrical products. And there is one basic non-negotiable – quality. We will not get into electrical products with a bad quality product. We will come into a new category only if we have an excellent product. In the market place reputation takes long to build and it doesn't take long to go.

Capacity expansion of the Company: We are seriously looking at capacity expansion. You can see that in our speech. We need to increase our capacity. We can't keep growing at 50% without increasing our capacity. We are closely looking at expanding our current as well as new plant and buildings in order to increase our capacity.

Fan page of the Company: Mr. Palliwal has talked about his fan page. The only request I have is if any consumer of a Hawkins product is short of any spare part in any part of world, give us that link. We will try and help him. We send spare parts all across the world. Someone also said that you are missing the samosas - I will say, buy a Hawkins Deep Fry pan - it makes excellent samosas. In this virtual meeting mode, I can't give you samosas, except through the product that we sell.

Company being aggressive on marketing: Are we going to be aggressive? Brands like Hawkins are not built without aggression. We would not have been market leaders in Pressure Cookers without aggression. The Hawkins DNA has been aggressive. You can be aggressive for a short term and long term. You can see from our Annual Report that our erstwhile Chairman used to say: a dealer does not get his income by buying your product, he gets it by selling your product. And that is a salesman's prime job. To ensure that the dealer is buying something which he can sell. Selling is a repeated exercise. It needs aggression. We are aggressive, and we always have been aggressive.

DNA change in new product: There is more focus on accelerating new products. Is there any DNA change? No. Each new product we sell or introduce has to go through various tests. It has to go through test kitchen, it has to go through a consumer panel. There is no shortcut. What we are trying is to increase the production of our new products. Hopefully we will sustain this.

Production of outside fitting lid cookers: I presume open Pressure Cooker means an outside fitting lid pressure cooker. There is a demand for outside lid pressure cookers. Specially in South India. Will Hawkins make it? The answer is No. Our competition has started making inside fitting lid pressure cookers. We won't however make outside fitting lid pressure cookers because we believe that they are not safe for the consumer. This question has been raised many times. We can gain some market share and some amount of sales in Pressure Cookers. But an unsafe Pressure Cooker is a big risk to the entire Industry. As leaders in the Industry it is our responsibility to ensure that Pressure Cookers are safe. One of the reasons why there are not many Pressure Cookers in the USA is because initially at launch, Pressure Cookers were not very safe. In India, about 55-60% of the households have pressure cookers because they are safe.

Increase in the current liabilities: Other Current liabilities have increased because of what happened in March 2020. The lockdown had hit us around the 20th of March and our dealers could not get the full benefit of our trade schemes and provisions for schemes reduced as the year-end purchases and advance payments reduced. This year the lockdown happened in April and March was an active month. We got more advance payments from our customers and we got more business. And we have provided more for schemes and discounts. Sudeep, is that a correct explanation? Let me ask my CFO!

Sudeep Yadav: Yes.

E-commerce : What we do in e-commerce I have already explained. We do the same thing as what we do offline. We make good products, we don't misinform the customer and we don't run schemes offline and online. We sell and do our best in e-commerce. We are market leaders in certain e-commerce businesses like Amazon. Future outlook in the medium and long term - we have a very good outlook in the medium and long term. In the same breath I would say there are a lot of uncertainties. We don't know how Covid will turn out. But the basic vitality of the business, the basic morale of the people, the basic quality of the products, the basic brand image with consumers to my mind are at an all time high.

Investment in new categories: Yes, we will invest if we get an opportunity in a new category. If you read our Annual Report, in the Hawkins DNA it is mentioned that we will invest in a new category but we will not bet the Company. Prudence is part of our DNA. We will invest in categories and new opportunities, but we will not bet the Company.

Strategy for second line management: Our strategy has been to build managerial capabilities within the Company. You can see that in the Board we are bringing in two people in Executive management - they have been working with us for a number of years, Mr. Tej Paul Sharma, who is the current Head of Sales and Mr. Neil Vasudeva, who is the current Head of Marketing. They will get to see Sudeep and I at close quarters, as we have seen Mr. Brahm Vasudeva operate at close quarters and learnt from him. Hopefully these gentlemen will see us operate and God forbid if something happens to us they will take over the reins of the Company. Not will they learn from us, we will also learn from them. Hawkins is a very transparent Company. We discuss everything openly and we try to make the most meritorious view prevail. Pandemic in a way has helped us very much because of Zoom calls. The

exposure to Senior Management has improved. There are people in the Company who will step up to become future CEOs of the Company if they learn how to operate well.

Shelf space as competitors diversify: We have the best display in the bazaar. And the reason is the dealer wants to lead with Hawkins. He knows that the consumer is more likely to ask for a product if he displays Hawkins and then he can try and sell other products. Another question was if our competitors make 20 other different ranges don't they get more shelf space. In fact we have found that they get more shelf space for mixer grinders and gas stoves, etc., but no shelf space for Pressure Cookers. We actually gain in such a situation.

Marketing team split between Pressure Cooker and Cookware: No, we have the same team which looks after both Pressure Cookers and Cookware. In manufacturing there are certain separate parts.

Energy saving ideas and honouring the late Chairman, Mr. Brahm Vasudeva: Mr. Roongta talked about saving energy. I can give a quick nugget. A family that uses one Pressure Cooker for a year saves about three trees from being chopped for firewood. And India has large a number of people who still use firewood. A pressure cooker is very energy saving and a green device. We are not keen to go running after carbon credit. We are keen to make pressure cookers. You suggested that we create a hall in a Management College or school in the name Mr. Brahm Vasudeva. We have stated in my speech that he has nurtured a movement called Hawkins. This Company is a living hall in the memory of Mr. Brahm Vasudeva. If this Company does well it is because of the principles he has set up. About bribing, we have a unique position – the CSD Joint General Manager said in a public forum that Hawkins is the only Company that doesn't bribe. We don't bribe anybody. We don't make a big deal out of it. We don't bribe as a principle. None of our Managers are allowed to bribe. We believe honesty is the best policy. That is why we are a good consumer marketing company. You cannot bribe a consumer.

Issue of bonus shares, right shares, split shares: As of now we are not thinking about it. If we do you will come to know.

Company helping Defence: The best way to help Defence is by making good products at excellent prices. The best prices, that is, the lowest prices we give to anybody in the world is to the Indian Defence Force. And that is our tribute to them. You will be pleased to know that we have by far the leading market share in CSD.

Mutual Fund business: You want us to get into Mutual Funds. No, we will not get into the Mutual Fund business as we know nothing about Mutual Funds. We will do only what we know.

Exclusive showroom of the Company: We don't encourage exclusive showrooms unlike our competition or any other Companies. The reason is quite simple, we believe that if in the showroom there is Hawkins and a competitive product visible, the consumer will be more convinced about Hawkins because we make a better product. No doubt about that. If your quality is not very good if your product is not very good, exclusive showrooms are a good strategy. Competitively if you have the best products in the Market, you don't need to do exclusive showrooms. We would like to be in multi-product showrooms.

Unmet demand for the Company: Certain Companies book orders only for the stocks that they have. We don't do that. We take orders for any product which is there on our price lists. We also do market research, we do focus groups, we visit people's kitchen and see what they need and what is missing and what they are buying.

Women employees in the senior management: In our Board there are two ladies. We have Prof. Leena Chatterjee, who was my and Sudeep's teacher in IIM Calcutta. We have Mrs. Susan Vasudeva who is the Advisor to our Test Kitchen. For 35 years she has been closely involved in testing of products, writing of instructions and doing fundamental work which was not done before. In our Test Kitchen we have three ladies. Are there any women in our sales? Yes. In Mumbai we have 3 salesgirls, in Delhi we have one salesgirl, in Bangalore we have one salesgirl. We don't post salesgirls to small towns. In Hawkins, when I sit for a salesperson's interview, I do not differentiate between a girl and a boy. I do not reverse discriminate either. Girls are appointed by merit and they get paid equal to the men. And we do not make them run for half an hour to get into sales. That is for workers. We make our worker candidates run 5 kms and you need to finish that in 33 minutes. When we take workers in factories, we need those who are fit. Salespeople go through written test. Girls do the written test as well as the boys.

Advertising in social media: We tried advertising in social media, but we did not see much benefit. We advertise on television, newspapers and Amazon. For the last two years our advertising has been a little less because the markets have not really been open. But this year we have an advertising increase. So if the markets remain open you will see a lot more advertising. As we speak we are already doing it in Kerala for Onam.

Commodity prices: How will commodity prices turn out I don't know. If they increase such that our margins are under pressure, we will increase our prices and if they decrease, we will get some extra margin. We don't hedge. Whatever demand we have, we buy.

Land cost and measures taken in conservation of environment: On revaluing our land so that our balance sheet looks bigger, we believe in prudent accounting. We value our land at cost price. I don't think the shareholder value depends upon whether we show our land in current or old prices. The shareholder's value is more dependent upon how well we market our products. So that is where our focus is. We follow all rules on single use plastic. We don't go below 50 microns. And we have a recycling plan and on certain places where we don't need to use plastic we have stopped doing so. But in certain products we need plastic for protection, we continue to use that as per Government rules. Rainwater harvesting is available in all our plants and we have the necessary legal clearance to withdraw ground water in all our Plants. We do conserve water. If you see our Plants in Google Maps, you will see they are very green. We don't want to hurt the environment at all. How many of us are Working from Home? Close to zero. As you have seen in my speech and the Annual Report, we believe that if we come to office and we work together we get better work done. The Senior Management comes to work every day. Employees with covid related costs even beyond their entitlement have been taken care of by us. On dividend, the dividend decision is taken at the point of time when a dividend is to be declared. You can see our read Dividend Distribution Policy. From amongst the aspects the main one is that we must have profits or retained earnings for declaring a dividend. And secondly, we have to see the funds availability for the business. The shareholders' prime interest is in the Company expanding and doing well. Hawkins, has always been an aggressive dividend payer. In the month of May we were not sure where we would be and that is why we did not announce the dividend. We won't cheat the shareholder out of a year of dividend but equally we won't commit that we will pay a dividend, or that we will make up. It will depend upon the situation at that time. And the Board will take the decision in the benefit of the shareholder and the Company.

With that I think I have answered all the questions as far as I have noted them down. Sudeep, shall we move forward now?

Sudeep Yadav: Yes, we should go to the resolutions.

Subhadip Dutta Choudhury: We will go to the resolutions. I will read them so as to save time.

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, 2021, 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, 2021, and the Directors’ and Auditors’ Reports thereon be and are hereby received, considered and adopted.

No. 2 is to appoint a Director in place of Mr. Sudeep Yadav (DIN: 02909892) who retires by rotation, and, being eligible, offers himself for re-appointment as a Director of the Company. The resolution reads: “RESOLVED that Mr. Sudeep Yadav (DIN: 02909892), who retires by rotation at the 61st Annual General Meeting, be and is hereby re-appointed as a Director of the Company.”

The next resolution involves me so I have to request Mr. Sudeep Yadav, Vice-Chairman and Chief Financial Officer, to take the Chair for Item No. 3 of the Notice with the consent of the shareholders since I am interested in this Item.

Sudeep Yadav: Thank you Subhadip. Item No. 3 is: “RESOLVED that in partial modification of the Resolution No. 10 passed by the shareholders at the 59th Annual General Meeting held on August 6, 2019, and pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013, if any, the Company hereby approves the change in the terms of appointment and remuneration payable to Mr. Subhadip Dutta Choudhury (DIN:00141545) as Chairman of the Board of Directors and Managing Director designated as Chief Executive Officer, with effect from August 6, 2020, for the balance period of his existing Agreement ending on September 30, 2022, within the existing terms of remuneration payable to him, as set out in the Supplementary Agreement executed by the Company with him dated February 19, 2021.” I now pass the Chair back to you, Subhadip.

Mr. Subhadip Dutta Choudhury: Thank you, Sudeep. We move on to the fourth resolution. To approve change of designation of Mr. Sudeep Yadav (DIN: 02909892) from Executive Director-Finance and Administration and Chief Financial Officer to Vice-Chairman of the Board of Directors and Chief Financial Officer of the Company and change in terms of remuneration, for the balance period of his existing Agreement ending on September 30, 2022, within the existing terms of his remuneration. “RESOLVED that in partial modification of the Resolution No. 11 passed by the shareholders at the 59th Annual General Meeting held on August 6, 2019, and pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013, if any, the Company hereby approves the change in the designation of Mr. Sudeep Yadav (DIN:02909892) to Vice-Chairman of the Board of Directors and Chief Financial Officer with effect from August 6, 2020, for the balance period of his existing Agreement ending on September 30, 2022, and change in his remuneration within the existing terms of remuneration payable to him, as set out in the Supplementary Agreement executed by the Company with him dated February 19, 2021.”

I now have the pleasure of introducing Mr. Tej Paul Sharma, whom we are proposing to be appointed as a Director. Mr. Tej Paul and I have worked together for the last 30 years. He is actually senior to me. He is an asset to the Company. Tej Paul, if you speak up the shareholders will get to see you.

Tej Paul Sharma: Good evening ladies and gentlemen. I am Tej Paul Sharma. Subhadip has been kind and humble enough to say that I am senior. Thank you very much for the honour.

Mr. Subhadip Dutta Choudhury: The fifth resolution is: To appoint Mr. Tej Paul Sharma (DIN:09195422), as a Wholetime Director of the Company designated as Executive Director-Sales for a period of twenty-six months from August 1, 2021, to September 30, 2023, and approve the remuneration payable to him. “RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, Mr. Tej Paul Sharma (DIN:09195422), in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be appointed as a Director of the Company with effect from August 1, 2021, liable to retire by rotation.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded for the appointment of Mr. Tej Paul Sharma (DIN:09195422) as a Wholetime Director of the Company designated as Executive Director-Sales of the Company for a period of twenty six months from August 1, 2021, to September 30, 2023, on the terms and conditions including the remuneration payable as stated in the Agreement to be executed between the Company and Mr. Tej Paul Sharma, the main terms of which are summarized in the explanatory statement annexed to the Notice.”

Resolution No. 6 is for Mr. Neil. He joined the Company in 1997 and when he joined us, I used to be in Sales and he also joined in Sales. We actually shared the same room. That was about 24 years ago. Neil is Mr. Brahm Vasudeva’s son. He has been working in our Company since 1997. He is the Head of Marketing and has an extensive experience in Sales. Infact I used to be the North Zone Sales Manager and when I moved to Marketing, Neil was made the Sales Manager. I can say that he had better sales results than I had. Please welcome Neil. Neil if you speak up the shareholders will get to see you.

Mr. Neil Vasudeva: Good evening all. Its been a long day. So, I will keep my words short. Its an honour to be here.

Mr. Subhadip Dutta Choudhury: The Resolution No. 6 is: To appoint Mr. Neil Vasudeva (DIN:09208715), as a Wholetime Director of the Company designated as Executive Director-Marketing for a period of twenty six months from August 1, 2021 to September 30, 2023 and approve the remuneration payable to him. (Ordinary Resolution). “RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, Mr. Neil Vasudeva (DIN:09208715), in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be appointed as a Director of the Company with effect from August 1, 2021, liable to retire by rotation.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded for the appointment of Mr. Neil Vasudeva (DIN:09208715), as a Wholetime Director of the Company designated as Executive Director-Marketing of the Company for a period of twenty six months from August 1, 2021, to September 30, 2023, on the terms and conditions including the

remuneration payable as stated in the Agreement to be executed between the Company and Mr. Neil Vasudeva, the main terms of which are summarized in the explanatory statement annexed to the Notice.”

Resolution No. 7 is to appoint Mr. Murli Aildas Teckchandani (DIN:00049563) as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years from August 1, 2021, to July 31, 2026. Mr. Teckchandani, if you speak up the shareholders will get to see you.

Mr. Murli Aildas Teckchandani: Good evening. I must say it has been a good introduction to the Board, Hawkins’ business and its governance school. We run through everything in so much detail in the Hawkins style. I can see the great work done by Mr. Mukhi and Mr. Vasudeva in laying the foundation and the flag bearers taking it forward. Thank you.

Mr. Subhadip Dutta Choudhury: Thank you. The Resolution No. 7 reads: “RESOLVED that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Murli Aildas Teckchandani (DIN:00049563), who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from August 1, 2021, to July 31, 2026.”

The 8th resolution is to re-appoint Mr. Ravi Kant (DIN:00016184) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years from August 4, 2021, to August 3, 2026. It’s a Special resolution. “RESOLVED that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ravi Kant (DIN: 00016184), who was appointed as an Independent Director of the Company at the 56th Annual General Meeting of the Company and who holds office of an Independent Director up to August 3, 2021, and who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years from August 4, 2021, to August 3, 2026.”

The final Resolution, No. 9, 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.”

Members who have not yet voted can e-vote on these items on the e-voting page of NSDL. It is now open for e-voting. You will get 15 minutes to vote. During these fifteen minutes we will run a short reel of Mr. Vasudeva’s quotations and pictures. Those who joined today’s meeting early may have seen it and the others can stay back and enjoy the reel. Sudeep will come in and will do the required step to call the meeting to an end when required.

(A short reel play for 15 minutes)

After 15 minutes

Sagar Gudhate (NSDL Technical Support): Voting period has now ended.

Sudeep Yadav: Thank you, Sagar. The voting period is over. I would like to invite anyone to give a vote of thanks by ‘Raising Hand’. For the brevity of time let me do that. Subhadip thank you so much for chairing this Meeting in a very shareholder friendly manner. The answers to the questions were given clearly while addressing most of the questions raised by the Shareholders. Thank you dear Shareholders, for your time, patience and participation. If anyone amongst the ‘Panelist’ would like to Second the vote of thanks please do so otherwise we can close the Meeting.

Ravi Kant: The Chairman has done a fantastic job, I would say, for chairing this Meeting. So patiently listening to all shareholder and replying to each question and without trying to skip things. So, my congratulations to the Chairman. Also compliments to the Board and the Secretarial team and everybody else for organising a very nice AGM.

Subhadip Dutta Choudhury: Thanks Ravi. My special thanks to our Board of Directors. It has been a very long day for you, but I hope you found it interesting. I would like to call this meeting to a close. 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 July 31, 2021. Thank you all. Goodnight. Best of luck and stay safe.

General V. N. Sharma (Retd.): Thank you Subhadip. You rendered it very well indeed.
