



2019

Annual Report

Kovilpatti Lakshmi Roller Flour Mills Limited

(Formerly KLRF Limited)

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KOVILPATTI LAKSHMI ROLLER FLOUR MILLS LIMITED

(Formerly KLRF Limited)

CIN : L15314TN1961PLC004674

Board of Directors

Sudarsan Varadaraj

K.Gnanasekaran

Kalyani Jagannathan

R.Kannan

Ashwin Chandran

Suresh Jagannathan

Managing Director

Chief Financial Officer

K.R. Badrinarayanan

Company Secretary

S. Piramuthu

Auditor

M/s Arun & Co

Chartered Accountants, Tirunelveli

Branch Auditors

M/s VKS Aiyer & Co

Chartered Accountants, Coimbatore

Secretarial Auditor

M.D. Selvaraj

MDS & Associates

Company Secretary in Practice

Coimbatore

Bankers

Canara Bank

HDFC Bank Ltd

Registered Office

75/8, Benares Cape Road

Gangaikondan - 627352

Administrative Office

8th Floor, Time Square,

62, Balasundaram Road,

Coimbatore-641018

Food Division

Gangaikondan-627352

Engineering Division

Coimbatore-641020

Registrar and Share Transfer Agent

Link Intime India Private Limited

"Surya" 35, Mayflower Avenue

Senthil Nagar, Sowripalayam Road

Coimbatore - 641028, Tamilnadu

Telephone : +91 422 231 4792

Telefax : +91 422 231 4792

E-mail : coimbatore@linkintime.co.in

NOTICE OF 57TH ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty Seventh Annual General Meeting of the Shareholders of Kovilpatti Lakshmi Roller Flour Mills Limited will be held on Monday the 16th September, 2019 at 10.00 a.m., at the Company's Registered Office at 75/8, Benares Cape Road, Gangaikondan-627352, Tirunelveli District to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 including audited Balance Sheet as at 31st March, 2019, Statement of Profit Loss and Cash Flow Statement and changes in Equity for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in the place of Mr.Sudarsan Varadaraj (DIN 00133533) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to Section 139, 142 and 143 (8) of the Companies Act, 2013 M/s VKS Aiyer & Co Chartered Accountants, Coimbatore (Firm Registration No.000066S) be and are hereby appointed as Branch Auditor of the Company to hold office upto the conclusion of the next Annual General Meeting to audit the books of accounts of the engineering division of the Company for the financial year 2019-20 on a remuneration of ₹ 7,15,680/- (Rupees seven lakhs fifteen thousands six hundred and eighty only) excluding applicable taxes and out of pocket expenses incurred in connection with the audit."

4. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution.

"Resolved that pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s P.Mohankumar & Co., (Membership Number 18692), Cost Accountant, appointed as Cost Auditor by the Board of Directors to audit the cost records of the Engineering Division of the Company for the financial year 2019-20, be paid a remuneration of ₹ 65,000/- (Rupees sixty five thousands only) plus applicable tax and out of pocket expenses that may be incurred during the course of audit."

"Resolved Further That the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 29th May, 2019 and pursuant to the provisions of Sections 149, 150(2), 152 and 160 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.K.Gnanasekaran (DIN 00133645), whose current period of office expires on 17th September, 2019 and who has given his consent for re-appointment and has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made thereunder and Listing Regulations, be and is hereby re-appointed as a Non Executive Independent Director of the Company to hold office for the second term of 5 (five) consecutive years w.e.f. 18th September, 2019, whose term shall not be subject to retirement by rotation. "

"RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution. "

Statement pursuant under Section 102 of the Companies Act, 2013

Item No.3

As per Section 143 (8) of the Companies Act, 2013, Branch Auditor is required to be appointed at the Annual General Meeting. Accordingly, Branch Auditor is being appointed at every annual general meeting for the respective financial year to audit the accounts of the engineering division of your Company.

The proposed resolution set out in Item No.3 of the Notice seeks the authorization of the members to appoint Branch Auditor for the financial year 2019-20. Your Directors recommend the passing of this resolution.

None of the Directors, Key Managerial Personnel of the company or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item No.4

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s P.Mohankumar & Co., Cost Accountant, as

Cost Auditor to conduct the audit of the cost records of the Engineering Division of the Company for the financial year 2019-20. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing Ordinary resolution as set out at Item No.4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2019-20. Your Directors recommend the passing of this resolution.

None of the Directors, Key Managerial Personnel, or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No.5

Pursuant to the provisions of Sections 149, 150(2), 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and Listing Regulations with the stock exchange, at the Fifty second Annual General Meeting held on 18th September, 2014, Mr.K.Gnanasekaran was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 17th September, 2019. Accordingly, the first term of office of Mr.K.Gnanasekaran as an Independent Director of the Company expires on 17th September, 2019 and he is eligible for re-appointment for the second term in accordance with Section 149 of the Act, subject to the approval of the members by way of a special resolution.

Mr.K.Gnanasekaran, aged 67 years, is a fellow member of the Institute of Chartered Accountants of India. He has more than 40 years of experience in handling functional areas of finance and accounts.

As per the recommendation of the Nomination and Remuneration Committee and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, the Board of Directors at their meeting held on 29th May, 2019, has recommended the re-appointment of Mr.K.Gnanasekaran (DIN 00133645) as a Non-Executive Independent Director of the Company for the second term of 5 (five) consecutive years w.e.f. 18th September, 2019 and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The appointee Independent Director has expressed his consent to act as a Non Executive Independent Director of the Company for the second term of 5 (five) consecutive years. The Company has also received a declaration from Mr.K.Gnanasekaran confirming that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Further,

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Mr.K.Gnanasekaran is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time and debarred by order of the SEBI or any other statutory authority under any laws. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member for proposing the candidature of Mr.K.Gnanasekaran as a Non-Executive Independent Director of the Company for the second term of 5 years.

A copy of the draft letter for re-appointment of Mr.K.Gnanasekaran setting out the terms and conditions of his re-appointment would be available for inspection during the normal business hours of the Company, on all working days, at the Registered Office of the Company. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought in respect of the Special Resolution as set out in Item No.5 of this Notice. Your Directors recommend the passing of this special resolution.

Except Mr.K.Gnanasekaran, being the appointee independent director, none of the other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Notes :

- 1. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company.**

The instrument appointing the proxy should be deposited at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.

A person can act as a proxy on behalf of members not exceeding fifty in numbers and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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2. At the 55th Annual General Meeting of the Company held on 15th September, 2017 the members approved appointment of M/s.Arun & Co Chartered Accountant (Firm Registration No.014464S) as Statutory Auditors of the Company to hold office for a period of five years from conclusion of that Annual General Meeting till the conclusion of the 60th Annual General Meeting subject to ratification of their appointment by members at every Annual General Meeting if so required by the Companies Act, 2013. Vide Notification dated May 7,2018 the Ministry of Corporate Affairs omitted the requirement of seeking ratification of members for appointment of Auditors at every Annual General Meeting. Accordingly no resolution is being proposed for ratification of appointment of Statutory Auditor at the 57th Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxies should bring the attendance slips duly filled and signed for attending the meeting.
5. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and clause 1.2.5 of Secretarial Standard (SS-2) in respect of the Director's seeking appointment/re-appointment at the Annual General Meeting are furnished and forms a part of the notice.
6. The register of members and share transfer books of the Company will remain closed from 10th September, 2019 to 16th September, 2019 (both days inclusive).
7. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA.
8. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.

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10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or to Registrar and Transfer Agent.
11. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members may file nomination forms in respect of their physical shareholdings. Any member willing to avail this facility may submit to the Company's Registrar & Share Transfer Agent in the prescribed statutory form. Should any assistance be desired, members should get in touch with the Company's Registrar & Share Transfer Agent.
12. Electronic copy of the Annual Report for 31st March, 2019, the Notice of the 57th Annual General Meeting of the Company and instructions for e-voting, Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode. The notice of the 57th Annual General Meeting and the Annual Report 2018-19 will be available on the Company's website www.klrf.in.
13. Members are requested to register / update their e-mail address in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form with M/s. Link Intime India Pvt. Ltd.
14. Members are requested to note that the venue of the 57th Annual General Meeting at 75/8, Benares Cape Road, Gangaikondan-627352, Tirunelveli and the route map containing the complete particulars of the venue is attached to this notice.
15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. SEBI has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Members are further requested to forward all their communications directly to the Registrar and Share Transfer Agent of the company viz., M/s. Link Intime India Private Limited.
17. Shareholders who have not encashed their dividend warrant(s) for the year 2016-17 are requested to make claim with the Company.
18. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and SEBI (Listing

Obligations and Disclosures Requirements) Regulations, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 57th Annual General Meeting by electronic means and the business may be transacted through remote e-voting services provided by Link Intime India Private Limited (LIPL)

The facility for voting, through polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.

The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

Any person, who acquires shares of the Company and becomes member of the Company after despatch of Annual General Meeting Notice and holding shares as of the cut-off date, ie 9th September, 2019 may refer to this notice of Annual General Meeting of the Company, posted on Company's Website: www.klrf.in for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

The instructions for shareholders voting electronically are as under

The voting period begins on Friday, 13th September, 2019 at 9.00 A.M. and ends on Sunday 15th September, 2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 9th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company