



2023

Annual Report

Kovilpatti Lakshmi Roller Flour Mills Limited

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KOVILPATTI LAKSHMI ROLLER FLOUR MILLS LIMITED

CIN : L15314TN1961PLC004674

Board of Directors

Sudarsan Varadaraj

K.Gnanasekaran

Kalyani Jagannathan

R.Kannan

Ashwin Chandran

Sharath Jagannathan

Managing Director

Suresh Jagannathan

Executive Chairman

R. Nagarajan

S. Piramuthu

M/s Marimuthu & Associates

Chartered Accountants, Tirunelveli

M/s VKS Aiyer & Co

Chartered Accountants, Coimbatore

M/s MDS & Associates LLP

Company Secretaries

Coimbatore

Chief Financial Officer

Company Secretary

Statutory Auditor

Branch Auditors

Secretarial Auditor

Bankers

HDFC Bank Ltd

RBL Bank Ltd

Registered Office

75/8, Benares Cape Road

Gangaikondan

Tirunelveli -627352

Administrative Office

8th Floor, Time Square,

62, Balasundaram Road,

Coimbatore-641018

Food Division

Gangaikondan-627352

Engineering Division

Periyanaickenpalayam, 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

E-mail : coimbatore@linkintime.co.in

NOTICE OF 61ST ANNUAL GENERAL MEETING

Notice is hereby given that the Sixty first (61st) Annual General Meeting of the Shareholders of Kovilpatti Lakshmi Roller Flour Mills Limited ("Company") will be held on Friday the 29th December, 2023 at 09:00 a.m., Indian Standard Time (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the in-person presence of shareholders at a common venue to transact the following business;

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2023 including audited Balance Sheet as at 31st March, 2023, Statement of Profit and Loss and Cash Flow Statement and statement of changes in Equity for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a director in the place of Sri. R. Kannan (DIN: 00951451) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **Re-appointment of Branch Auditors for a period of five consecutive years commencing from the financial year 2023 – 24 till the financial year 2027-28 and to fix their remuneration.**

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

"RESOLVED THAT pursuant to Section 139, 142, 143(8) and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and as per the recommendation of the Audit Committee and the Board, M/s VKS Aiyer & Co., (Firm Registration No.000066S), Chartered Accountants, Coimbatore, be and are hereby re-appointed as Branch Auditors to the engineering division of the company to hold such office for a period of five consecutive years from the conclusion of this 61st Annual General Meeting up to the conclusion of the 66th Annual General Meeting to be held during the year 2028 to carry out the audit of the books of accounts of the Engineering division of the Company on a remuneration of ₹ 8,35,000/- (Rupees eight lakhs thirty five thousand only) (excluding applicable taxes and out of pocket expenses incurred in connection with the audit) for the financial year 2023 – 24 and in respect of the subsequent years, as may be decided by the Board of Directors based on the recommendation of the Audit Committee."

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 ratify the remuneration payable to the Cost Auditor for the financial year 2023-24.

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 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the re-appointment of M/s P. Mohankumar & Co., (Membership Number 18692 / FRN 100490), Cost Accountant, Coimbatore, as Cost Auditor made by the Board of Directors to audit the cost records of the Engineering division of the Company for the financial year 2023-24, on a remuneration of ₹ 85,000/- (Rupees eighty five thousand only) plus applicable tax and out of pocket expenses that may be incurred during the course of audit, be and is hereby ratified.

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."

6. Approval for re-appointment of Sri. Suresh Jagannathan (DIN: 00011326) as Executive Chairman of the Company for a further period of 5 years with effect from 12th March, 2024 and the remuneration payable to him:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the Nomination and Remuneration Policy and the provisions of the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the re-appointment of Sri. Suresh Jagannathan (DIN: 00011326), who will attain the age of 70 (seventy) years on 1st May, 2026, as Executive Chairman of the Company for a further period of 5 (five) years with effect from 12th March, 2024 on the following terms and conditions notwithstanding that the aggregate annual remuneration payable to Sri. Suresh Jagannathan (DIN: 00011326), in any year during his tenure, together with the aggregate annual remuneration payable to Sri. Sharath Jagannathan (DIN: 07298941), Managing Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the said Act, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at their respective meetings held on 23rd November, 2023.

a. Salary	A total remuneration comprising of salary, allowances, perquisites etc. payable by the company amounting to INR 138 lakhs per annum for a period of 3 (three) years with effect from 12 th March, 2024 with an annual increment of 12% of the total remuneration per annum. The remuneration for the remaining tenure of his office shall be subject to the approval of the shareholders.
b. Perquisites	Provident fund: Company's contribution towards provident fund, superannuation fund or annuity fund as per the rules of the Company, to the extent it is not taxable under the Income Tax Act, 1961.
	Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
	Leave encashment: Encashment of leave at the end of the tenure.
	The above perquisites shall not be included in the computation of ceiling on remuneration aforesaid.
c. Commission on net profits	At the discretion of the Board and the amount determined shall be subject to the limits laid down under Section 197 read with Schedule V and 198 of the Companies Act, 2013 or any other applicable law.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the above remuneration shall be payable as minimum remuneration to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, as specified in Schedule V of the Companies Act, 2013 (as amended) for a period of 3 (three) years with effect from 12th March, 2024.

RESOLVED FURTHER THAT the Board of Directors (including its committees thereof) be and are hereby authorized to alter and vary the above terms of re-appointment and/or remuneration payable to Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman, as it may deem fit, proper and necessary subject to the same not exceeding the above limits.

RESOLVED FURTHER THAT Sri. Suresh Jagannathan (DIN: 00011326), during his tenure as Executive Chairman, shall be liable to retire by rotation and the same shall not be treated as break in his service as Executive Chairman.

RESOLVED FURTHER THAT Sri. Suresh Jagannathan (DIN: 00011326) shall not be entitled to receive any sitting fees for attending the meetings of the Board of Directors or any Committees thereof.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) constituted by the Board from time to time) be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or

expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Statement pursuant under Section 102 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No.4

M/s VKS Aiyer & Co., Chartered Accountants, Coimbatore (Firm Registration No. 000066S), was re-appointed as the Branch Auditors at the Annual General Meeting held on 14th September, 2022 and they retire at the ensuing 61st Annual General Meeting. Pursuant to the provisions of Sections 139, 142, 143(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (as amended) and based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on 23rd November, 2023, has recommended the re-appointment of M/s VKS Aiyer & Co., Chartered Accountants, Coimbatore (Firm Registration No. 000066S), as the Branch Auditors of the Company to hold such office for a period of five consecutive years from the conclusion of the 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting of the Company to be held during the year 2028 to audit the accounts of the Engineering division of the Company, subject to the approval of members of the Company.

M/s VKSAiyer & Co., Chartered Accountants, (Firm Registration No. 000066S), is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India and their office is situated at No.380, VGR Puram, Off Alagesan Road, Saibaba Colony, Coimbatore-641011. M/s VKS Aiyer & Co., holds a valid Peer Review Certificate issued by The Institute of Chartered Accountants of India. The appointee Branch Auditors are primarily engaged in Audit and Assurance Services to Listed Companies and various other clients.

M/s VKS Aiyer & Co., Chartered Accountants has given their consent for the proposed re-appointment and further, confirmed that their re-appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The appointee Branch Auditors has also furnished a declaration confirming independence as prescribed under the applicable statute.

The remuneration proposed to be paid to the Branch Auditors is ₹ 8,35,000/- (Rupees eight lakhs thirty five thousand only) (excluding applicable taxes and out of pocket expenses incurred in connection with the audit) to audit the accounts for the financial year 2023-24 and in respect of the subsequent financial years, the remuneration payable to them may be approved by the Board of Directors based on the recommendation of the Audit Committee in consultation with the statutory auditor after considering various parameters / market standards.

The Board recommends the ordinary resolution set out in Item No. 4 of the Notice for the approval of the members.

None of the directors and key managerial personnel of the company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out in Item No.4 of the Notice.

Item No.5

The Board of Directors, based on the recommendation of the Audit Committee, has approved the re-appointment of M/s P. Mohankumar & Co., (Firm Registration Number: 100490), Cost Accountant, Coimbatore as Cost Auditor to conduct the audit of the cost records of the Engineering division of the Company for the financial year 2023-24 and the remuneration payable to him. 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 is required to be ratified by the Members of the company. Accordingly, the approval of the members is sought by way of an ordinary resolution as set out under Item No.5 of this Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2023 - 24. Your Directors recommend the passing of this resolution.

None of the directors and key managerial personnel of the company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out in Item No.5 of the Notice.

Item No.6

Sri. Suresh Jagannathan (DIN: 00011326) was originally re-appointed as the Managing Director for a period of 3 years with effect from 12th March, 2021 by the members of the Company by means of passing necessary resolution through postal ballot process on 6th August, 2020. Since he stepped down as Managing Director, he was re-designated as Executive Chairman, at the Board meeting held on 12th November, 2021, for the remaining period of his current tenure with effect from the said date and accordingly, his tenure as Executive Chairman of the Company expires on 11th March, 2024.

In accordance with the provisions of Section 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at their meeting held on 23rd November, 2023 has approved the re-appointment of Sri. Suresh Jagannathan (DIN: 00011326), who will attain the age of 70 (seventy) years on 1st May, 2026, as Executive Chairman of the Company for a further period of 5 (five) years with effect from 12th March, 2024 on the terms and conditions as set out under Item No.6 of this notice, subject to the approval of the members of the Company by means of passing a special resolution.

Sri. Suresh Jagannathan (DIN: 00011326) is one of the Promoters of the Company and he has been serving the Company for over a period of 42 years. Considering his varied experience, skills and knowledge in the field of foods, textiles and engineering industries, the Board of Directors opine that it is desirable to continue to avail the services of Sri. Suresh Jagannathan (DIN: 00011326) and his re-appointment as Executive Chairman would be greatly beneficial to the Company.

Pursuant to Section(s) 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Special Resolution for re-appointment of the Executive Chairman, as set out under Item No.6 of the Notice, is placed before the members for approval. Your Directors recommends the passing of this Special Resolution.

The general information as required under Part II of Section II of Schedule V of the Companies Act, 2013 (as amended) and the disclosure as required in accordance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the ICSI has been annexed and forms part of this notice.

Members are informed that the terms of re-appointment of Sri. Suresh Jagannathan (DIN: 00011326) as Executive Chairman and the payment of the remuneration, as set out under Item No.6 of the Notice, are in conformity with Schedule V of the Companies Act, 2013.

The particulars set out above can also be treated as Memorandum required under the provisions of Section 190 of the Companies Act, 2013.

Sri. Suresh Jagannathan (DIN: 00011326), Executive Chairman (Promoter) and Sri. Sharath Jagannathan (DIN: 07298941), Managing Director (Promoter Group) and their relatives, are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution set out under Item No.6 of the Notice.

Except the above, none of the other Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution set out under Item No.6 of the Notice.

Notes:

1. Members are informed that the Registrar of Companies, Ministry of Corporate Affairs, Chennai, vide its Order dated 14th September 2023 has granted extension of time for a period of 3 (three) months to the Company in accordance with Section 96 of the Companies Act, 2013 to hold its 61st Annual General Meeting in relation to the financial year ended 31.03.2023. Accordingly, the 61st Annual General Meeting of the Company in relation to the financial year ended 31.03.2023 is scheduled to be held on 29th December, 2023 in compliance with the aforementioned order. Further, the Ministry of Corporate

Affairs("MCA") and the Securities and Exchange Board of India ("SEBI") vide their relevant circulars issued during the years 2020, 2021, 2022 and 2023 (collectively referred to as "MCA and SEBI Circulars") has permitted the conduct of the 61st Annual General Meeting ("AGM") through Video Conferencing (VC)/Other Audio Visual Means(OAVM), without the physical presence of the Members at a common venue. The deemed venue for the 61st AGM shall be the Registered Office of the company situated at 75/8, Benares Cape Road, Gangaikondan-627352, Tirunelveli, Tamil Nadu.

In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") MCA Circulars and SEBI Circulars, the 61st AGM of the Company is being held through VC/ OAVM. Members desirous of participating in the 61st AGM through VC/ OAVM, may refer to the procedures mentioned below.

- 2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his /her behalf and the proxy need not be a Member of the company. Since this 61st AGM is being held pursuant to the MCA Circulars through VC / OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 61st AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.**
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to the company to cosec@klrf.in
4. The Register of Members and share transfer books of the company will remain closed from 23rd December, 2023 to 29th December, 2023 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
5. Dividend as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid within 30 days from the date of declaration to those members whose names appear on the Register of Members in respect of shares held in physical form as well as in respect of shares held in electronic form as per the details received from the depositories for this purpose as at the close of the business hours on 22nd December, 2023 (Record Date).
6. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the company for payment of dividend,